



Support of LIHC Bill Grows; Time Runs Short

By Michael J. Novogradac, CPA

All three bills that would increase the low-income housing tax credit (LIHC) cap from \$1.25 to \$1.75 per resident continue to pick up legislative support. Just as Congress shut down for its week-long Memorial Day holiday, the LIHC bills—two House plans and one Senate proposal—had gained a total of 275 cosponsors, 50 Senators and 225 members of Congress. H.R. 2990, by Reps. John Ensign (R-Nev.) and Charles Rangel (D-N.Y.); S. 1252, by Sens. Alfonse D'Amato (R-N.Y.) and Bob Graham (D-Fla.); and H.R. 3290, by Rep. Nancy Johnson (R-Conn.), would increase the tax credit cap and index it for inflation in future years. Only the Johnson bill would implement programmatic changes recommended by the U.S. General Accounting Office. Now influential House Ways and Means Committee members must persuade their fellow lawmakers to support attaching one of these proposals to a larger tax bill, the necessary vehicle to change current tax law. To rally needed support, the National Council of State Housing Agencies, the National Association of Home Builders, the Local Initiatives Support Corp. and other affordable housing advocacy groups held a press conference. Bill cosponsors D'Amato, Graham, Ensign and Rangel joined the group to express the urgent need to pass the legislation this year. "Over half the Congress has already cosponsored one or both of these bills," said NCSHA President James Logue. If only the majority of the tax-writing panelists will join their colleagues and support the LIHC cap increase. ❖

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