



LIHC Advocates Must Continue to Rally Support

By Michael J. Novogradac, CPA

The likelihood of a sweeping tax reform bill before the November election is growing increasingly slim, according to many Beltway insiders. As the August recess approaches, it seems more and more unlikely the lawmakers will tackle large, labor intensive projects such as reforming the ailing Social Security system or passing a comprehensive tax bill overhaul. Instead, Washington lawmakers seem more interested in dismantling the tax code completely. The House last month narrowly approved a bill to repeal the Internal Revenue Code in the year 2002 and require the creation of a new one before the only one expires in three years. The congressional leadership has postponed the budget resolution until after the Independence Day recess, which ends July 13 for the House and July 6 for the Senate.

What is the likelihood of lawmakers funneling part of the budget surplus toward legislative efforts to increase the low-income housing tax credit (LIHC) cap from \$1.25 to \$1.75 per resident? Not good unless more affordable housing advocates apply pressure to their representatives and especially the tax-writing panel lawmakers—House Ways and Means Committee and Senate Finance Committee members. To reach the Senate Finance Committee, call (202) 224-4515; House Ways and Means Committee, (202) 225-3625. ♦

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