



105 Congress Winds Down; Future of LIHC Remains Uncertain

By Michael J. Novogradac, CPA

With less than four weeks remaining in the 105th congressional session, affordable housing advocates are playing the waiting game. Will Washington lawmakers have enough time, revenue and political will to push through legislation that would increase the low-income housing tax credit (LIHC) and tax-exempt housing bond caps this year? H.R. 2990, introduced by Reps. John Ensign (R-Nev.) and Charles Rangel (D-N.Y.), and S. 1252, by Sens. Alfonse D'Amato (R-N.Y.) and Bob Graham (D-Fla.) would boost the LIHC cap from \$1.25 to \$1.75 per capita. H.R. 979, spearheaded by Reps. Amo Houghton (R-N.Y.) and Barbara Kennelly (D-Conn.), and S. 1251, by Sens. D'Amato and John Breaux (D-La.), would raise the cap on tax-exempt bonds to the greater of \$75 per capita or \$250 million per state. One of the main stumbling blocks is whether there will even be a tax bill, the vehicle necessary to increase the caps. "We remain very optimistic," said Barbara Thompson, legislative director for the National Council of State Housing Agencies (NCSHA). "If there is a tax bill of a size adequate to accommodate the bond and housing credit cap increase, we feel we'll get very serious consideration." "Will Congress have enough time to enact the legislation when lawmakers haven't yet agreed how big the tax bill should be? "If there is a tax bill of any consequence, we have a pretty good shot," Thompson predicted. ❖

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