

Congress of the United States

JOINT COMMITTEE ON TAXATION

Washington, DC 20515-6453

FEB 25 2014

Honorable Dave Camp
U.S. House of Representatives
Committee on Ways and Means
1102 Longworth HOB
Washington, D.C. 20515

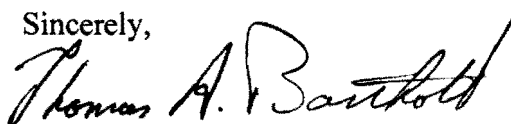
Dear Chairman Camp:

This is in response to your request for supplemental information related to Table #14-1 002 R1, item III.C.4, "modify low-income housing program and repeal 4% credits" contained in the "Tax Reform Act of 2014."

The Joint Committee on Taxation estimates an increase in eligible basis for 70-percent low income housing credit projects of \$519 million in 2015 relative to present law. Construction costs for qualifying projects vary substantially across different regions in the United States. Based on recent construction costs related to section 42 projects and assuming the increase in eligible basis is used to build new units (as opposed to rehabilitation of existing units), this estimated increase in eligible basis could support as few as 1,500 new qualified low income units or as many as 4,100 new qualified low income units.

I hope this information is helpful to you. If we can be of further assistance in this matter, please let me know.

Sincerely,



Thomas A. Barthold
Chief of Staff

cc: Dave Olander
Warren Payne
George Callas