



For Immediate Release: Wednesday, Oct. 5, 2016

Contact: Donna De La Cruz, ddelacruz@communitychange.org (202) 339-9331

CCCAction Opposes Middle Income Housing Tax Credit Act of 2016 ***Highest Priority for Fed Resources Must Go to Low-income, Rent-burdened Families***

(WASHINGTON) – The following is a statement from Michael Anderson, Director of the Housing Trust Fund at the Center for Community Change Action on CCCAction’s opposition to the Middle Income Housing Tax Credit Act of 2016:

“Sen. Ron Wyden (D-OR) has proposed legislation, S. 3384, to create a Middle Income Housing Tax Credit (MIHTC) program with new federal tax incentives to encourage the development of housing affordable to households earning the Area Median Income (AMI) which ranges from \$76,000 annually in Maryland to \$35,500 in Mississippi. At a time when three of every four low-income (income in the range of \$11,000 to \$23,000) renter households is paying *half* or more of their monthly income to afford housing, while only 2% of households earning the AMI have to spend that much, the highest priority for new federal resources for affordable housing must be directed to provide relief for these low-income rent-burdened families. For these reasons, CCCAction opposes S. 3384.

A safe home is fundamental to almost every aspect of human well-being. It improves health and education outcomes for the whole family. But for millions of families a decent affordable home is out of reach. Public investment in housing is wholly insufficient, resulting in mass homelessness and widespread economic and social insecurity.

A 2016 report from the National Low Income Housing Coalition showed that low-income housing is available for only 31% of the poorest families. In cities nationwide, soaring rental prices increase the risk of displacement for families who have found housing and force them into destabilizing financial choices. This problem is widespread and particularly acute for women and communities of color. A 2016 study from the MacArthur Foundation found that 68 % of Hispanic, 62 % of African Americans, and 50% of white households reported having to make major sacrifices to afford housing.

The new federal tax incentive proposed would increase housing options for a demographic that is by and large housing secure. Whatever laudable goals S. 3384 might potentially achieve, given the depth and severity of the crisis for families with the lowest incomes, creating a new tax credit for any other segment of the housing market is neither prudent nor responsive.”

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The Center for Community Change Action (CCCAction) empowers the people most affected by injustice. CCCAction uses training, political advocacy and electoral tools to help low-income people build political power and push for policy changes that improve their lives. For more information go to www.cccaction.org and follow us on Twitter @CCCAction