

RENT RELIEF ACT



Nationwide, [8 million](#) of the lowest-income renters pay at least half of their income on rent, leaving them without the resources they need to make ends meet. Despite the clear need, only [1 in 4](#) eligible households receive any help and some households spend years on [waitlists](#) due to inadequate funding by Congress.

The “[Rent Relief Act of 2023](#)” ([H.R.6721](#)) introduced by Senator Raphael Warnock (D-GA) and Representatives Danny Davis (D-IL), Jimmy Gomez (D-CA), Scott Peters (D-CA), and Jimmy Panetta (D-CA), would help bridge the widening gap between incomes and housing costs by providing a refundable tax credit for millions of housing cost-burdened renters who face impossible choices between paying rent and meeting their other basic needs, including putting groceries on the table and taking care of their health.

The renter tax credit is designed to make housing affordable for millions of the lowest-income people, who are disproportionately people of color. It is an innovative, bold strategy that – when paired with significant targeted investments to increase the supply of rental homes – could help solve the nation’s housing crisis.

NLIHC urges Congress to quickly enact the Rent Relief Act to help close the gap for millions of households who are eligible for federal housing assistance but cannot access it due to inadequate funding by Congress.

The Rent Relief Act would:

- **Build on the success of the Child Tax Credit to provide monthly support** to renters earning less than \$100,000 annually who spend at least 30% of their gross income on rent and utilities.
- **Help housing cost-burdened renters bridge the gap between income and rents** by providing a refundable tax credit that covers a share of the difference between 30% of income and rent, capped at 100% of Small Area Fair Market Rent. For the lowest-income renters earning less than \$25,000 annually, the credit would cover the entire difference between 30% of income and rent. The credit would phase out between \$25,000-\$100,000 – covering 75% of the 30%-income-to-rent gap for households earning between \$25,000-\$50,000; 50% of the gap for households earning between \$50,000-\$75,000; and 25% of the gap for households earning between \$75,000-\$100,000.
- **Ensure the lowest-income families benefit** by making the credit fully refundable.
- **Overcome administrative barriers** that often prevent households from accessing rental assistance by providing relief directly to renters and minimizing landlord involvement.
- **Improve access to the credit** by including funding for community outreach to help eligible taxpayers learn about and apply for the credit.

The bill has been endorsed by: Black Girls Vote, Children’s HealthWatch, Church World Service, Coalition on Human Needs, Community Change, Justice in Aging, LeadingAge, Liberation in a Generation, Local Initiatives Support Corporation, Low Income Investment Fund, National Association for County Community and Economic Development, National Association for Family Child Care, National Association for Latino Community Asset Builders, National Association of Local Housing Finance Agencies, National Coalition for Asian Pacific American Community Development, National Coalition for Homeless Veterans, National Coalition for the Homeless, National Health Care for the Homeless Council, National Homelessness Law Center, National Housing Law Project, National Housing Trust, National Low Income Housing Coalition, National NeighborWorks Association, National Network to End Domestic Violence, National Nurse-Led Care Consortium, National Women’s Law Center, NETWORK Lobby for Catholic Social Justice, Opportunity Starts at Home Campaign, Poverty & Race Research Action Council, Southern Poverty Law Center Action Fund, RESULTS, The Kelsey, Zero to Three

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