

# YWCA IS ON A MISSION

## YWCA Mohawk Valley Issues Statement Regarding Tax Reform

Washington D.C. has seen a flurry of action as Congress has introduced an overhaul of the tax system and YWCA has been monitoring this situation closely.

There are serious concerns that both the Senate and House versions of tax reform could significantly affect the deficit, leading to a shift of resources used to meet the needs of low/moderate-income people. Threats of pressure to increase cuts to domestic programs, including SNAP, Medicaid, low income tax credits, child care, and housing, for example, are significant.

We here at YWCA Mohawk Valley, along with our partners, know firsthand the devastating effect of homelessness on our community and the affordable housing crisis we face in New York State. Currently, domestic violence is the number one cause of homelessness among women and children, and the rate of homelessness due to domestic violence has been on the rise in the Mohawk Valley.

The House bill (HR 1) that passed on November 16, would have a devastating impact on affordable and supportive housing by eliminating tax-exempt private activity bonds (PAB). These bonds provide capital funding in conjunction with the 4% Low Income Housing Tax Credit (LIHTC). They are responsible for about half of the affordable housing development across New York State.

And according to the Supportive Housing Network of New York, it is estimated that the state will lose \$4.5 billion dollars and 17,000 units of affordable housing annually with these proposed changes.

We cannot let this happen.

Meanwhile, a very different tax reform bill has been introduced in the Senate. This bill preserves the PAB, and the 9% LIHTC although, again, the drastic cut to corporate tax rates will lead to the same 25% devaluation of tax credits. It will only require a majority to pass in the Senate, which is closely divided.

Unless the Senate bill fixes the loss in valuation of the credit, there will be a significant loss of capacity to develop affordable and supportive housing – a ripple effect which we will all feel.

**Please call on your Republican members of Congress (Claudia Tenney – NY-22: 202.225.3665) & (John Katko – NY-24: 202.225.3701),** tell them that Private Activity Bonds are essential to ending homelessness and the affordable housing crisis, and ask them to sign on a letter to House and Senate leadership from Rep. Randy Hullgren (R-IL – 14), opposing the elimination of PABs in the House’s version of the Tax Cuts and Jobs Act.

Rep. Hullgren will be adding Republican signatories **until 12 p.m. on Monday, Nov. 27.** Again, please urge your Republican Senators and Representatives to sign on by contacting [bill.hulse@mail.house.gov](mailto:bill.hulse@mail.house.gov) in Rep. Hullgren’s Office. Tell them that “Private Activity Bonds are essential to ending homelessness and the affordable housing crisis.”