



**National Housing  
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Association**

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The Honorable Max Baucus, Chairman Senate  
Committee on Finance  
SD-219 Dirksen Senate Office Building Washington,  
DC 20510-6200

The Honorable Charles Grassley, Ranking Member Senate  
Committee on Finance  
SD-219 Dirksen Senate Office Building Washington,  
DC 20510-6200

Dear Senators Baucus and Grassley,

I am writing this letter to urge you to take appropriate steps, including, if you deem it necessary, amending Section 45D of the Internal Revenue Code with respect to New Markets Tax Credits, to clarify that the "integrated unit test" can be utilized on projects involving multiple buildings. As you are aware, in order to be a qualified business within a low-income community less than 80 percent of the income may be derived from residential rental property. NH&RA and its New Markets Tax Credit Steering Committee supports clarifying that in projects involving multiple buildings this income test can be applied across the project in aggregate as opposed to on a building-by-building basis.

Formed in 1971, NH&RA is a professional association of individuals who are involved in affordable housing, historic rehabilitation and New Markets Tax Credit development. NH&RA's New Markets Tax Credit Council brings together active participants in New Markets Tax Credit transactions including CDE executives, investors, developers, lenders, government officials, consultants and legal and accounting professionals to discuss the most pressing legislative, regulatory, financial and transactional issues facing the industry and build consensus on solutions. The council is an active advocate for the extension of the of the New Markets Tax Credit program on Capital Hill and meets regularly with key Department of Treasury staff.

If you have additional questions about the organization or this letter requesting your help in achieving this important clarification please do not hesitate to contact us directly at 202-939-1750 or you can contact myself or my colleague Thorn Amdur at [pbell@dworbell.com](mailto:pbell@dworbell.com) or [tamdur@housingonline.com](mailto:tamdur@housingonline.com). Additionally, you can learn more about NH&RA on our website [www.housingonline.com](http://www.housingonline.com).

Sincerely,

Peter Bell  
Executive Director