

# The Power of Tax Credits

## Positive Drivers for the U.S. Economy and Society

### Low-Income Housing Tax Credit

- Accounts for Virtually All Affordable Apartments Built or Rehabilitated Annually
- More Than 2.6 Million Affordable Rental Housing Units Constructed or Preserved Since 1986; About 100,000 Units Each Year
- Annually Creates Approximately 95,000 Full-Jobs & Generates \$7.1 Billion in Income (Local Wages, Business Profits) and \$2.8 Billion in Federal, State, and Local Taxes <sup>1</sup>
- Cumulative Foreclosure Rate of Less Than 0.1% for All LIHTC Properties – Lowest of Any Real Estate Asset Class
- Economic Impact from a Typical 100-Unit LIHTC Development in the First Year: 116 jobs; \$3.3 Million in Taxes for Federal, State, and Local Governments; \$8.7 Million in Income <sup>1</sup>



Hope Manor Apartments, Chicago, Illinois  
Developer: Volunteers of America



Photo by Dominion

Schmidt Brewery, St. Paul, Minnesota  
Developer: Dominion

### Federal Historic Rehabilitation Tax Credit

- More Than 38,700 Historic Buildings Rehabilitated Since 1976 With Approximately \$106.1 Billion in Cumulative Rehabilitation Expenditures <sup>2</sup>
- Has Helped to Create 466,047 Housing Units Since 1976, of Which 27% Have Been Affordable to Low- and Moderate-Income Families <sup>2</sup>
- 744 Historic Rehabilitation Projects Completed in FY 2012 Representing \$3.155 Billion in Certified Rehabilitation Costs <sup>2</sup>
- 1,020 Proposed Historic Rehabilitation Projects Approved in FY 2012 Representing \$5.33 Billion in Estimated Rehabilitation Costs <sup>2</sup>
- In FY 2012, Created Approximately 57,800 Jobs, \$3.4 Billion in GDP, \$2.5 Billion in Income, \$6.6 Billion in Economic Output, and \$900 million in Taxes for Federal, State, and Local Governments <sup>3</sup>

### New Markets Tax Credit

- Has Financed a Wide Variety of Real Estate Projects & Operating Businesses in Low-Income Communities Nationwide
- NMTC Investments Directly Created 358,832 Jobs & Leveraged \$55 Billion in Capital Investment During 2003-2011 <sup>4</sup>
- 535,874 Total Jobs Created or Induced During 2003-2010 <sup>4</sup>
- More Than \$8.3 Billion in Federal, State, and Local Tax Revenues Generated by NMTC Investments During 2003-2010 <sup>4</sup>
- 71% of NMTC Investments So Far Made in Poorest Urban and Rural Communities in the U.S.



Photo by Peter Calvin

Morris Heights Health Center, Bronx, New York  
Developer: Morris Heights Health Center

<sup>1</sup> Estimates by National Association of Home Builders

<sup>2</sup> Source: National Park Service

<sup>3</sup> Annual Report on the Economic Impact of the Federal Historic Tax Credit for FY 2012, Executive Summary. Prepared for National Park Service by Rutgers University Edward J. Bloustein School of Planning and Public Policy

<sup>4</sup> New Markets Tax Credit Coalition