

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Tax Credit and Add the Subsequent Referral to the Committee on Revenue
Vote:	7 - 2 - 0
Yeas:	Gallegos, Gelser, Gomberg, Keny-Guyer, Olson, Whisnant, Tomei
Nays:	Gilliam, Whitsett
Exc.:	0
Prepared By:	Regina Wilson, Administrator
Meeting Dates:	2/22; 2/27, 3/18

WHAT THE MEASURE DOES: Extends tax exemption for single unit housing to 2025.

ISSUES DISCUSSED:

- Minority homeownership gap closure
- Benefits of homeownership
- Location of affordable housing

EFFECT OF COMMITTEE AMENDMENT: Removes requirement for affordable housing to be located in distressed areas.

BACKGROUND: Current law requires that affordable housing be located in distressed areas, and tax exemptions on single housing units were instituted to promote development and construction. “Distressed” primarily refers to residential areas of a city designated by statute for reason of deterioration, inadequate or improper facilities, the existence of unsafe or abandoned structures (not limited to significant number of vacant or abandoned single or multifamily residential units), or any combination of these or similar factors detrimental to the safety, health and welfare of a community. Other factors include the number of foreclosures, property crime rates, median home sale prices and rates of homeownership. In some areas of the state, housing values have significantly declined. Homeowners have experienced a grave loss of equity and are trending towards owing more on their homes than their home’s current worth. House Bill 2025 extends the tax exemption for single unit housing to the year 2025.