

NAHMAanalysis

NATIONAL AFFORDABLE HOUSING MANAGEMENT ASSOCIATION

**Ensuring NAHMA Members Receive the Latest News and Analysis of
Breaking Issues in Affordable Housing**

**Workforce Housing Tax Credit Act
(WHTC)**

Dec. 20, 2023

Workforce Housing Tax Credit Act (WHTC)

Bill Sponsor(s) Rep. Jimmy Panetta
(D-CA) and Rep. Mike Carey
(R-OH)

Sen. Ron Wyden
(D-OR) and Sen. Dan Sullivan
(R-AK)

Cosponsors
Unknown, awaiting formal introduction

Background

“America needs more housing...There needs to be more housing supply between low-income housing and million-dollar homes—to fill the missing middle.” – Sen. Wyden

Key Provisions

- Provides **additional tax credits** that can be used to **build affordable housing for tenants between 60% and 100% of area median income, or transferred to LIHTC for tenants generally below 60% of area median income.**
- **Similar to LIHTC, state housing finance agencies allocate the tax credits to developers through a competitive process.** The tax credits would be provided to developers **over a 15-year period, with a 15-year compliance period and 30-year extended commitment.**
- For **new buildings**, the **credit would equal 50% of the cost of the building** over the lifetime of the credit. For **rehabilitated buildings and bond-financed buildings**, the **credit would equal 20% of the cost of the building.** More credit can be awarded for buildings in DDAs.
- **WHTC also works in conjunction with LIHTC** to support low-income affordable housing. First, a state can tailor the allocation to its needs: transfer any portion of their middle-income allocation to LIHTC at any point during the year and help the financial feasibility by combining LIHTC and middle-income housing tax credits.

Status and Outlook

NAHMA supports the passage of the **WHTC**. Similar to the AHCIA, WHTC’s passage centers on whether Congress will do any tax reform or pass any tax-related legislation during this term. Passage appears unlikely at this moment. A one-page summary of the WHTC can be found [here](#). Legislative text can be found [here](#). **Please ask your lawmakers to support the passage of WHTC!!!**