

**For Immediate Release**

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**Happy 26<sup>th</sup> Birthday Low Income Housing Tax Credit Program**

**Phoenix** – Today marks the 26th anniversary of the Tax Reform Act of 1986, the landmark legislation signed on October 22, 1986 by President Reagan that created the Low Income Housing Tax Credit (LIHTC) program. Congress created the LIHTC program to encourage the construction and rehabilitation of affordable apartments for low-income working families by offering owners of such housing a credit against tax liability for 10 years. While no one could predict its future at the time, the LIHTC program has gone on to become the most successful rental housing program in history with over 2.5 million units (over 40,000 units in Arizona) of affordable, quality apartments constructed and preserved in rural, suburban, and urban areas across the country.

“For 26 years, the LIHTC program has maintained strong bipartisan support due to its proven track record for creating jobs and revitalizing communities. The LIHTC program is a perfect example of how a public-private partnership should work to attract private investment. With the economy slowly recovering, the availability of affordable housing remains a necessity for economic development in the state. It remains a highly effective program that should continue to be promoted and strengthened,” said ADOH Director Michael Traylor.

The LIHTC program helps finance more than 100,000 affordable apartments each year, nationwide. In addition to revitalizing communities, spurring private sector investment, and providing much needed affordable housing, the program adds approximately \$6.8 billion in income and 90,000 full time jobs per year across all U.S. industries.

During FY2012, ADOH made commitments to invest over \$220 million in financing to support 2,028 affordable rental units in Arizona. Rental units were funded through a number of funding sources, including the federal LIHTC program. Generally, assisted projects are required to guarantee 20-30 years of affordability in exchange for public financing at favorable terms.

For more information on the LIHTC program and other programs administered by ADOH, please visit [www.azhousing.gov](http://www.azhousing.gov).

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