

Illinois Affordable Housing Tax Credit

HB 6038: Renewing the incentive that attracts private support for employer-assisted housing in Illinois

Sponsor: Ill. Rep. Art Turner (D-Chicago)

Why should we renew the tax credit?

The Illinois Affordable Housing Tax Credit Program (IAHTC), which provides a 50 cent credit on state income tax liability for every \$1 invested in an employer-assisted housing (EAH) program — is an effective tool to engage employers in housing solutions and increase homeownership among working families. Renewing the tax credit demonstrates that the State of Illinois is committed to partnering with the private sector to help our workforce live near work.

A national model

Illinois' tax credit program has become a national model. Several other states have introduced legislation based on the Illinois program. The Livable Communities Act, introduced in Congress, would, with modest amendment, encourage EAH programs nationwide.

An effective strategy in all kinds of markets

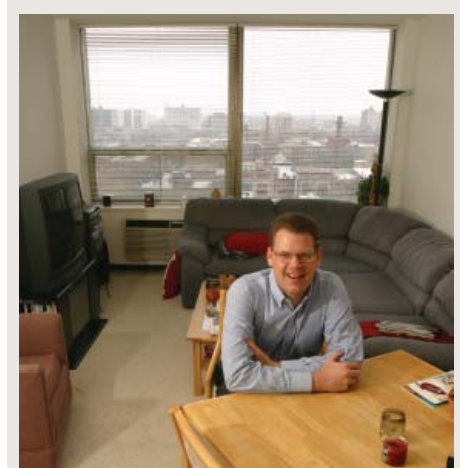
EAH works for a wide range of employers, including large and small businesses, hospitals, universities, and municipalities. It helps address the jobs-housing mismatch and stabilizes communities.

What would the tax credit allow?

- Enacted in 2001 and renewed in 2006, the IAHTC allocates \$13 million to leverage \$26 million in private investment in housing solutions.
- The current legislation expires in 2011. This bill extends the sunset clause to 2016.
- Employers can receive tax credits if they provide financial assistance to an employee buying or renting a home through an approved EAH program.
- The EAH program must include a "live near work" component (such as purchase of a home within a specified radius of the workplace).
- An approved nonprofit partner facilitates the program, which is administered by the Chicago Dept. of Housing and Illinois Housing Development Authority.

What is EAH?

Employer-assisted housing refers to a number of ways employers invest in homes for the local workforce. EAH is a cost-effective and hassle-free way for companies to improve workforce retention, recruitment and morale, and help stabilize local communities.



More than 50 employers throughout Illinois, including Chicago Public Schools, Medela, AMCORE Financial, Ameritech-Rock Island, Robinson Engineering, Labelmaster, and Chase, offer EAH benefits to their workers.

For more information

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