Department of Planning and Budget
2013 Fiscal Impact Statement

1. **Bill Number:** HB2059

House of Origin	☒	Introduced	☐	Substitute	☐ Engrossed
Second House	☐	In Committee	☐	Substitute	☐ Enrolled

2. **Patron:** McClellan

3. **Committee:** Finance

4. **Title:** Income tax credit; landlords participating in housing choice voucher programs.

5. **Summary:** Reduces from $450,000 to $250,000 the amount of income tax credits that may be issued each fiscal year by the Department of Housing and Community Development (DHCD) to landlords participating in housing choice voucher programs.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates are preliminary.** See item 8, below.

8. **Fiscal Implications:** Under the provisions of the bill, $200,000 less in each year could be issued by DHCD to participating landlords under the low-income housing tax credit program. In the event the amount of the requests exceeds the $250,000, DHCD would pro-rate the tax credits among the qualified applicants.

   It is anticipated that the bill will not have a fiscal impact to DHCD or the Department of Taxation (TAX).

   According to TAX, the bill will not have a general fund revenue impact. Although the proposed legislation would reduce the revenue cap from $450,000 to $250,000, the revenue loss associated with the Communities of Opportunity Tax Credit has been significantly less than the $450,000 cap. Due to disclosure guidelines, the credit was not reported in TAX's FY 2011 or FY 2012 Annual Reports.

9. **Specific Agency or Political Subdivisions Affected:** Departments of Housing and Community Development and Taxation.

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** Del. McClellan has proposed a member budget amendment as a companion to the bill. The member amendment would appropriate $200,000 to DHCD for a competitive grant program to fund housing mobility counselors to work with participants of the Communities of Opportunity Program.

Date: 1/16/13