



Support SB1197: the Creation of a State Opportunity Tax Credit Program

It Would Supplement the Federal Low-Income Housing Tax Credit Program:

- The creation of the Virginia Housing Opportunity Tax Credit will add another tool to the toolbox to create more homes that are available and affordable to our neighbors.
- The COVID-19 pandemic has exacerbated Virginia's affordable housing crisis. According to the National Low Income Housing Coalition's 2020 Gap report, there are only 57 affordable units available for every 100 renters earning at or below 50% of the area median income in Virginia; this disparity increases to 36 per 100 for households earning 30% or less of the area median income.
- There is not a jurisdiction in Virginia that has enough affordable housing.
- The Virginia Opportunity Tax Credit is projected to add an additional 800 affordable units each year across the Commonwealth.
- The federal Low Income-Housing Tax Credit (LIHTC) is one of the few effective tools we have for developing and rehabilitating homes affordable to lower income households.
- The program leverages private equity through public-private partnerships to encourage the development of affordable homes.
- Since its launch in 1987, the LIHTC has enabled Virginia to raise enough equity to produce over 110,000 affordable units throughout the Commonwealth (State LIHTC Study Report, 2020). Despite the impact of the LIHTC, the need still exists for more homes to meet the needs of our neighbors.

Our Ask

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