

EMPLOYER SUPPORT OF WORKFORCE HOUSING TAX CREDIT

*Senate Bills 360 & 361 – Senator Roger Victory
House Bills 4649 & 4650 – Representative Mark Huizenga*



SUMMARY OF BILL

This legislation incentivizes employers to engage in a meaningful way to support their employees accessing housing near their workplace. The strength of this approach is it essentially provides 'matching' state resources in support of housing in areas that have a proven need.

Rather than relying on the State to determine where housing is needed, what type of housing can be added, which partners to engage and how to deliver the product, the employer will invest in a determined need by contributing down payment assistance, direct support for housing development, or through a housing trust fund to support their employees who earn up to 120% of the area median income.

HOW DOES IT WORK?

Employers can claim an income tax credit equal to 50% of the total eligible contributions made during the tax year. Eligible contributions include:

- Supporting a local impact housing trust fund
- Offering employees the option to participate in a qualified employer-assisted housing project that assists employees in securing affordable housing near the workplace
 - A "project" is down-payment assistance, reduced-interest mortgages, mortgage guarantee programs, rental subsidies, individual development account savings plans or any other similar type of project approved by MSHDA
- These contributions are only eligible for employees whose adjusted household income is not more than 120% of the area median income as determined by MSHDA