



May 21, 2019

1100 K Street  
Suite 101  
Sacramento  
California  
95814

Telephone  
916.327.7500

Facsimile  
916.441.5507

## ASSEMBLY FLOOR ALERT

### **AB 10 (CHIU) – Income taxes: credits low income housing: farmworker housing As Amended April 30, 2019 – SUPPORT Assembly Third Reading File**

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The California State Association of Counties (CSAC) supports AB 10, which would increase the amount of state Low-Income Housing Tax Credit (LIHTC) allocations by an additional \$500 million annually.

The state's LIHTC program was created to augment the federal low-income housing tax credit program, which enables affordable housing developers to raise private capital through the sale of tax credits to investors. The federal program offers two types of tax credits, commonly referred to as 4% and 9% credits. California receives an annual ceiling of federal 4% and 9% tax credits. While the state is able to access all of the 9% credits, the state has been unable to maximize the 4% credit ceiling. AB 10, by increasing the state tax credit allocations, will allow California to maximize all federal tax credits.

AB 10 will result in the development of additional and much needed affordable housing across the state. For these reasons, CSAC respectfully asks for your **AYE** vote on AB 10. Should you have any questions regarding our position, please do not hesitate to contact Chris Lee at 916.650.8180 or [clee@counties.org](mailto:clee@counties.org).