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Kroll: Flawed Estimates Provide Misleading Support for the Elimination of Tax Exemption for Not-for-Profits.

Kroll Bond Rating Agency (KBRA) has released a public finance research report entitled “Flawed Estimates Provide Misleading Support for the Elimination of Tax Exemption for Not-for-Profits”.

The proposed bill intends to eliminate the benefits of tax exemption for not-for-profit hospitals and universities, airports, ports, and low income housing (called “private activity bonds” or PABs). It also eliminates tax exemption for advance refunding bonds, which has implications for all state and local borrowers.

KBRA believes the estimated revenue raising benefits of the proposal regarding PABs and advance refunding bonds are overstated. Unfortunately, this overstatement bolsters the appeal of these provisions to policymakers beyond their true merit.

To access the full report, please click on the link below:

Flawed Estimates Provide Misleading Support for the Elimination of Tax Exemption for Not-fo--Profits

If you have any difficulties accessing the report, please contact info@kbra.com or visit www.kbra.com

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