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Affordable Housing Shortage Expected to Worsen Under <u>New Tax Law.</u>

Congress indirectly diluted the tax incentives for building affordable housing — a change that's predicted to result in a quarter of a million fewer units.

Even before Congress passed a \$1.5 trillion tax cut in December, the demand for affordable rental housing far exceeded the supply. For every 100 renters who fit the federal government's definition of "extremely low income," only 35 units were available.

Congress offers some money for people who can't cover the full cost of rent, but that, too, is inadequate: A <u>recent study</u> found that federal housing assistance goes to fewer than one in five of those who qualify.

Now, because of the new tax law, the affordable housing shortage is expected to get worse.

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