

# **Bond Case Briefs**

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## **Ways and Means Holds Hearing on State and Local Tax Tools.**

### **MBFA to Submit Comments in Support of Muni Priorities**

The House Committee on Ways and Means today hosted a hearing titled, “[Tax Tools to Help State and Local Governments](#).” The hearing featured witnesses from all levels of state and local government, representing a swath of the Public Finance Network (PFN) in which the BDA participates, and focused on municipal bonds in the context of infrastructure financing and investment.

This hearing is the first in an expected series of hearings this spring leading up to the [introduction of an infrastructure package](#).

**The Municipal Bonds for America Council (MBFA) plans to submit a statement for the record in the coming days.**

#### **BDA and MBFA Priorities Featured**

While the hearing covered many state and local tax issues, municipal bonds were the centerpiece of the discussion. The Committee, while acknowledging their jurisdiction may be limited in the broader infrastructure debates, focused on many tax issues including a deep dive on municipal bonds provisions laid out in the 116th Congress [H.R. 2 the Moving Forward Act](#).

Many BDA and MBFA priorities were discussed.

These include:

- Restoration of tax-exempt Advanced Refundings (ARs);
- Expand the use of tax-exempt Private Activity Bonds (PABs);
- Raise the Bank Qualified Debt limit from \$10 million to \$30 million and tie to inflation; and
- Create a direct pay bond similar to the former Build America Bond (BAB) program exempt from sequestration.

#### **Bond Dealers of America**

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