

Bond Case Briefs

Municipal Finance Law Since 1971

Threat Now Imminent, Advocacy for Infrastructure Financing Tool Falling Way Behind in Tempo.

- **Imminent Threat to Municipal Bond Tax-Exemption:** The House Committee on Ways and Means is considering a full repeal of tax-exempt interest for municipal bonds.
- **Urgent Call for Advocacy:** Public entities and state and local leaders have a limited window in January and February 2025 to advocate for the preservation of the municipal bond tax-exemption. The report emphasizes that education and advocacy efforts are currently way behind in tempo compared to the legislative process.
- **Significant Financial Impact:** Eliminating the municipal bond tax-exemption could raise borrowing costs by \$824 billion over the next ten years, translating to an additional financial burden of approximately \$6,554.67 per American household. This change would hinder the ability of state and local governments to fund critical infrastructure projects, impacting public services and economic growth.

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