Bond Case Briefs

Municipal Finance Law Since 1971

Last Week’s Big Beautiful Budget Framework: A Potential Lifeline for the Tax-Exemption

Continued Advocacy Needed: There is no time to relax. To maintain improvements to U.S. infrastructure, advocacy and educational efforts in support of the tax-exemption must persist without slowing down. Although the threat has dropped, it will continue until Dec. 31, 2025. Additionally, future deficit reduction talks could pose an even stronger threat to the municipal bond tax-exemption after 2025.

Reduced Threat to the Tax-Exemption: The risk of eliminating the municipal bond tax-exemption has significantly decreased to around 10% for state and local governments if lawmakers target only $1.5 trillion in spending cuts, though the threat to private activity bonds remains high at 50% or greater.

Continue reading.

advisorhub.com

by Tom Kozlik, HilltopSecurities

April 17, 2025

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com