



**National Association of Home Builders**

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**Government Affairs**

Lake Coulson  
Senior Vice President & Chief Lobbyist

May 13, 2025

The Honorable Jason Smith  
Ways and Means Committee  
Washington, DC 20515

The Honorable Richard Neal  
Ways and Means Committee  
Washington, DC 20515

Dear Chairman Smith and Ranking Member Neal:

On behalf of the more than 140,000 members of the National Association of Home Builders (NAHB), I am writing in support of the budget reconciliation tax package.

This legislation not only provides small businesses with certainty by making the tax code permanent, it also builds on the success of the Tax Cuts and Jobs Act (TCJA) by expanding provisions like the 199A deduction, increasing the estate tax exemption, and restoring full expensing. By passing this bill, our members will be able to invest more resources in multifamily rental construction, land development to build more single-family homes, and new equipment to expand their businesses.

The package also provides more certainty for the housing market by preserving and making permanent many of the pro-housing provisions included in the TCJA, including the marginal tax rates, the rules for the mortgage interest deduction, and the increased exemption and phase-out for the Alternative Minimum Tax.

NAHB strongly supports the inclusion of additional resources for the Low-Income Housing Tax Credit (LIHTC). LIHTC is the most successful affordable rental housing production program in U.S. history, but the demand for affordable housing is acute and exceeds the availability of financing through the LIHTC program. Without a program like LIHTC, there's no financially feasible way to build additional affordable rental housing for lower-income households, which is why these additional resources are urgently needed.

We are concerned with proposed changes to limiting SALT deductions for certain pass-through entities. This provision is complex and likely to create uncertainty as well as require a lengthy regulatory process to implement.

The committee should reconsider the termination of two consumer energy tax credits: the Section 45L new energy efficient home tax credit and the Section 25D Residential Clean Energy Credit. The Section 45L tax credit is claimed by single-family builders serving every price point as well as rental housing, including affordable rental housing financed with the Low-Income Housing Tax Credit. NAHB believes the most effective way to promote energy efficiency is through voluntary tax incentives.

NAHB would also encourage the Committee to consider removing the labor provisions inserted into the energy tax credits through the Inflation Reduction Act. Leveraging the tax code to expand prevailing wage requirements has inflationary effects across a range of industries.

Because this bill provides much-needed additional resources to increase the supply of affordable rental housing as well as provisions to encourage small businesses to invest in their future, NAHB encourages the Committee to report it out favorably.

Thank you for considering our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Lake Coulson". The signature is fluid and cursive, with the first name "Lake" written in a larger, more prominent script than the last name "Coulson".

Lake Coulson