



ILLINOIS AFFORDABLE HOUSING TAX CREDIT RENEWAL

SB 2444 (Hunter)

HB 3107 (Evans, Zalewski, Hoffman, West II)

Program Overview

The Illinois Affordable Housing Tax Credit (IAHTC) Program encourages private investment in affordable housing by providing donors to qualified non-profit affordable housing sponsors with a tax credit on their Illinois income tax equal to 50% of the donation.

This program has created 28,991 units of single family (925 homes) and multifamily (28066 apartments) throughout Illinois since 2002. The total development costs exceed \$6.3 billion dollars which were pumped into local units of government, vendors, and construction trades.

The Illinois Affordable Housing Tax Credit began in 2001 as a key leverage to fund quality affordable homes throughout Illinois. It expires on December 31, 2021 per the legislation and passage of SB2444/HB3965 will be its 4th five-year renewal.

Renewal of this program will ensure that nonprofit sponsors have access to resources to rehab buildings and single family homes, and to construct new affordable homes for renters and homebuyers. Beyond serving as financing for funding gaps that exist when nonprofit developers work to meet housing demand, this Credit provides flexibility to varying community needs rather than prescribing one housing solution.

Program Details

The Illinois Housing Development Authority administers the IAHTC program statewide. The City of Chicago’s Department of Housing administers the program in the City of Chicago. Each agency reviews applications submitted by sponsors and provide a reservation of IAHTCs to successful applicants. The Illinois Housing Development Authority (IHDA) receives 75.5% of the IAHTC annually, while the City of Chicago Department of Housing receives 24.5%.

Program Preferences

- Allows for single family & multifamily housing, new construction & rehab
- Sponsor’s ability to proceed (project readiness) including site control
- Preservation of an existing affordable housing project
- Serving special needs and low income populations

Economic Impact

Economic benefits from each project extend beyond the stable housing created for over 28,000 households. Using the [Natl Assoc of Homebuilders methodology](#), impact can be calculated during the period of construction and on an annual ongoing basis. Defined thru jobs created, local tax revenue, local business income, and wages, every 100 units of single family and rental housing development has meaningful impact to the State of Illinois. Local income includes business owner’s income and plus all related wages/salaries.

One Year Impact of 28,991 Units	
Local Income	\$ 3,546,962,280
Local Taxes	\$ 651,662,442
Local Jobs	48831

Ongoing Annual Impact of 28,991	
Local Income	\$ 778,960,871
Local Taxes	\$ 150,699,210
Local Jobs	12987