Affordable Housing for All: Support a Renters’ Tax Credit

The U.S. tax code can be a powerful tool in alleviating poverty. However, there are few housing provisions in the tax code that benefit low-income renters. The mortgage-interest deduction helps homeowners but most of the benefits go to wealthier, white households. We could help renters by enacting a renters’ tax credit. This credit would increase housing affordability for low-income households by providing a refundable federal tax credit for rental costs above 30 percent of household income (what HUD defines as “affordable”), up to 100% of the area’s Fair Market Rent. By providing renters relief from growing rental costs, more families could find safe, affordable places to live. There are already several proposals in Congress to enact such a credit.

Many members of Congress are not aware of what a renters’ credit is. Use these talking points or our online template to write letters to your representative and both senators:

1. Start with “Dear Sen./Rep. ____________”. Tell your name and that you’re a constituent and RESULTS volunteer who believes Congress needs to do more to help low-income renters.

2. Tell them America is in a housing crisis. Millions of low-income working families struggle every day just to put a roof over their heads.

3. State that, according to Harvard researchers, rents have risen by 61 percent since 1960 but renters’ median earnings have gone up 5 percent. Right now, only 37 affordable and available rental homes exist for every 100 extremely low-income renter households (use your state’s number from the graph).

4. Explain that we can begin to address America’s housing crisis by supporting a "renters’ tax credit" for low- and moderate-income renters. A renters’ credit would increase housing affordability for low-income families by providing a refundable tax credit for rental costs above 30 percent of their household income up to the local fair market rent.

5. Urge your members of Congress to tell leaders on the House Ways and Means Committee/Senate Finance Committee that they strongly support enacting a renters’ tax credit for low-income families in any new tax legislation.