

HOME BUILDERS ASSOCIATION OF ALABAMA

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June 7, 2005

The President's Advisory Panel on Federal Tax Reform
1440 New York Avenue, NW
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Washington, DC 20220

PRESIDENT'S ADVISORY
PANEL
ON FEDERAL TAX REFORM
2005 JUL 21 A 11: 07

Dear Chairman Mack and other Panel Members:

The Mortgage Revenue Bond program is a vital key to our nation's ability to provide affordable housing to those of modest means. As the panel considers various reforms to the Internal Revenue Code, we ask you to protect this program and those millions of Americans who benefit directly and indirectly from it.

More than 2.5 million lower income families have realized the American dream of home ownership through the Mortgage Revenue Bond (MRB) program. More than \$2 billion in MRBs have been issued since 1980, providing mortgage financing for more than 44,000 Alabamians. Without this program, many in Alabama and the rest of the nation would be forced to live in substandard housing or continue to spend 50 percent or more of their income on housing.

Another benefit, though indirect, is the impact it generates by promoting economic growth and increased employment in communities throughout the nation. Annually in Alabama, these programs lead to the creation of some 6,000 jobs and produce sales and earnings in excess of \$500 million.

We ask that you carefully consider the impact of reform proposals on the Mortgage Revenue Bond Program. We urge you to oppose any tax reform proposal that would directly or indirectly harm the Mortgage Revenue Bond program.

Sincerely,



Russell Davis
Executive Vice-President