

# Chapman Client Alert

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November 2, 2017

Current Issues Relevant to Our Clients

## Proposed House Tax Bill Would Eliminate All Private Activity Bonds (Including Qualified 501(c)(3) Bonds), Tax Credit Bonds (Including Direct Pay Bonds), and Advance Refundings

On November 2, 2017, Representative Brady (the Chairman of the House Ways and Means Committee) released the proposed text of the long-awaited federal income tax reform bill entitled the "Tax Cuts and Jobs Act." If enacted into law, the bill would eliminate all tax-exempt private activity bonds (including qualified 501(c)(3) bonds and mortgage revenue bonds), tax credit bonds (including qualified zone academy bonds) and all tax-exempt advance refunding bonds, effective for bonds issued after December 31, 2017. The bill would also eliminate the federal tax credit for mortgage credit certificates issued after December 31, 2017.

Additionally, the bill would eliminate the tax exemption for bonds that finance certain sports facilities (stadiums or arenas used at least five days a year for professional sports exhibitions, games or training), effective for bonds issued after November 2, 2017.

### [For More Information](#)

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If you would like further information concerning the matters discussed in this article, please contact a member of our Public Finance Group or visit us online at [chapman.com](http://chapman.com).

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