



Municipal Bonds for America Coalition Reaction to Camp Tax Reform Draft Impact on Municipal Bonds

WASHINGTON – February 26, 2014 – The Municipal Bonds for America Coalition (MBFA) is disappointed in the proposals within Ways and Means Committee Chairman Dave Camp’s (R-MI) tax reform draft that apply a new 10% surtax on municipal bonds and eliminate private activity bonds and advance refundings of bonds.

Newly appointed Chairman of the Coalition’s Executive Committee, Steve Benjamin, Mayor of Columbia, South Carolina, said “we oppose proposals, whether from Congress or the White House, that cut, cap or limit the tax exemption for municipal bonds, including private activity bonds, and significantly limit our ability to borrow at affordable rates and invest in America’s future competitiveness.”

The Mayor added that the proposed surtax undercuts badly needed infrastructure investments, saying “Congress and the Administration have a decision to make: is America just going to survive or are we going to thrive? This 100 year old covenant securing the tax exemption for municipal bonds -- in place since the inception of the tax code -- builds schools in our communities, bridges in our cities, ports and airports that support American manufacturing jobs and keeps our roads safe and our citizen’s water bills low as we continue to invest in improving our infrastructure.”

Private activity bonds (PABs) are a valuable, trusted and efficient tool that provides access to capital for non-profits, affordable housing, hospitals, energy providers, manufacturers and many other job generating, private sector investment catalyzing projects.

MBFA continues to meet with lawmakers and the Administration to press their opposition to proposals that undercut the tax exemption for municipal bonds. To learn more about the Coalition, please visit the MBFA website at www.munibondsforamerica.org.

For More Information:

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