

SB 248 (GLAZER): TAXATION: RENTERS' CREDIT

POSITION: The Chamber's Public Policy Sub-Committee on Infrastructure, Housing, and Land Use voted to SUPPORT the proposal on February 19, 2019. The Chamber's Board of Directors voted to SUPPORT the bill on March 28, 2019.

RATIONALE: This straight forward proposal provides relief to renters in California.

STATUS: SB 248 was introduced February 11, 2019.

SUMMARY

SB 248 would increase California's renters' credit for the first time in 40 years and would represent significant help to single parents. Those eligible for the new renters' credit would be single filers making \$41,641 or less and joint filers making \$83,282 or less. Eligible households with children would receive a \$434 refundable credit and households without children would receive \$220. Currently, eligible renters have their tax liabilities offset by \$60 for single filers or \$120 for joint filers.

INDUSTRY/IES IMPACTED

If enacted, the bill would make renting a little bit more affordable, providing a small amount of relief to businesses from many industries struggling with talent attraction and retention due to housing affordability.

SUPPORTERS

- CA YIMBY
- University of California Student Association

OPPONENTS

None known.

ARGUMENTS IN FAVOR

- California is facing a homelessness crisis and a housing shortage. Working families end up on the street because they cannot afford to rent.
- California provides more than \$6 billion in tax breaks for homeowners but only \$140 million for renters. This proposal provides much needed relief to renting families and levels opportunity for credits between homeowners and renters.

ARGUMENTS IN OPPOSITION

The proposal would be costly if we enter a recession in the near future, by taking money from the General Fund.

MORE INFORMATION

Renters' Tax Credit		
Filers	Current	SB 248
Single (No Children)	\$60	\$220
Single w/ Children	\$60	\$434
Couple (No Children)	\$120	\$220
Couple w/ Children	\$120	\$434