

# A new tax on real estate? *Now?!*

At a time of growing concern that commercial real estate may be “the next shoe to drop”—potentially derailing economic recovery and causing a new wave of losses for financial institutions—some in Congress want to increase taxes on commercial real estate.

Not a good idea. Especially if our goal is to spur job growth and capital investment; prevent a new tide of foreclosures, empty storefronts and red ink in local community budgets; and protect retirees’ nest eggs from further erosion.

Although proponents of the House bill to raise taxes on real estate partnership “carried interest” claim it is targeted solely at “high income” individuals, the bill would, in fact:

- **Hurt real estate partnerships large and small**, which own more than \$1 trillion worth of commercial real estate and are key drivers of job creation
- **Further erode property values and tax revenues at the local level**—requiring deeper cuts in essential public services such as police and fire protection, education and health care
- **Jeopardize pension fund investments** in real estate partnerships, which would **put at risk the retirement savings of millions of ordinary Americans**
- **Further deepen the liquidity and refinancing crisis** in commercial real estate

**Say “NO” to a “carried interest” tax hike on real estate and “YES” to protecting workers, retirees, local communities and economic recovery**

American Hotel & Lodging Association  
American Resort Development Association  
American Seniors Housing Association  
Building Owners and Managers Association Int’l.  
Commercial Mortgage Securities Association  
International Council of Shopping Centers  
NAIOP, The Commercial Real Estate Development Assn.

National Apartment Association  
National Association of Home Builders  
National Assn. of Real Estate Investment Managers  
National Leased Housing Association  
National Multi Housing Council  
The Real Estate Roundtable