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BAUCUS LOOKS TO MAKE TAX INCENTIVES FOR HOUSING MORE EFFICIENT

Finance Chair: Improved Tax Incentives Need to Encourage Stability and Certainty in the Housing Market

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today said tax reform can make incentives for home ownership more cost effective, while helping promote certainty in the housing market. He noted that the positive effects of home ownership – lower crime rates, higher graduation rates and more community involvement, among others – and the major role it plays in the economy make it important to promote a robust and stable housing industry. Baucus convened a committee hearing to examine proposals to improve incentives to encourage homeownership, while doing more with less.

“Owning a home is part of the American Dream and we need to continue to help make this dream a reality for more Americans,” said Baucus. **“As we work to improve and simplify the tax code, we need to make sure tax incentives are structured to encourage certainty and stability, not booms and busts in the housing market. And as we reduce the deficit, we need to ensure every dollar in tax expenditures is spent wisely – and spent efficiently.”**

At the hearing, Baucus asked the witnesses for their ideas on ways to reform the code that would safely promote home ownership and help stabilize the housing market while saving money. Baucus and the witnesses addressed a range of proposals and discussed the need to avoid making changes that cause uncertainty.

The Finance Committee began its examination of the code last September with a series of hearings reviewing previous reform efforts and the need for tax reform. Today’s hearing was the latest in a set of hearings addressing policy options for the major issues related to tax reform. Baucus previously called for the tax code to [promote innovative industries](#), for [international tax rules](#) that promote American jobs and economic growth and for [high-earners to contribute](#) a fair share to deficit reduction in order to spare deep entitlement cuts. He also [discussed cost-effective ways](#) to promote retirement savings through tax reform. Watch today’s and all past hearings and view witness testimony on the Committee website at <http://finance.senate.gov/hearings/>.

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