



Rent Relief Act of 2022 **Senator Reverend Warnock**

Rents have skyrocketed in 2022. In Georgia, renters have faced a [13.7%](#) increase in median rents since 2019, the 12th highest rate in the country and far exceeding income growth over the same period. More and more Georgians are paying a substantial proportion of their income on rent, forcing many of them to pick between other essentials such as food or prescription drugs. As housing has become increasingly unaffordable, more prospective homeowners are forced to remain in the renters market, increasing rent prices further. For example, for the first time since it began tracking data, the Federal Reserve Bank of Atlanta has deemed the Atlanta Housing Market unaffordable. While solutions to address the U.S. housing shortage have been introduced, many renters need relief now.

Rent Relief Act of 2022

The *Rent Relief Act of 2022* will provide much needed relief to low and middle class Americans by subsidizing a percentage of individuals rents that exceed 30% of their income based on specific income thresholds. Areas defined as Difficult Development Areas (DDAs) will increase the income thresholds by a fixed amount to compensate for markets where development costs are high relative to incomes. The bill also permits eligible taxpayers to elect to receive their tax credits as a monthly advance.

How It Would Work in Georgia

The tax credit will be offered to individuals leasing a principal residence and paying rents in excess of 30 percent of the individual's gross income and below 100% Small Area Fair Market Rent (SAFMR) during the taxable year. For high-cost areas, the income threshold will increase by \$25,000 as defined by HUD's Difficult to Develop Areas (DDAs) formula. Georgia counties that are considered DDAs: Atlanta-Sandy Springs-Roswell, Augusta-Richmond County, Brunswick, Bulloch County, Butts County, Camden County, Columbus, Gainesville, Hinesville, Lumpkin County, Meriwether County, Miller County, Morgan County, Polk County, Rome, Savannah, Seminole County, Sumter County, Thomas County, Towns County, Troup County. The bill also include renters living in a primary residence subsidized by a Federal, State, local, or tribal program by applying the tax credit to 1/12 of the amount paid by the taxpayer and that is not subsidized by any other program. This bill includes a sunset provision for the end of 2024.

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