



The Real Estate  
Roundtable

# 2022 State of the Industry Meeting

POLICY TOOLKIT

EXECUTIVE SUMMARY

The Real Estate Roundtable works with national policymakers to build a fairer, healthier, and more resilient America.

## Tax Policy

### Preserve Like-Kind Exchanges

Fundamental to the health and financing of commercial real estate, like-kind exchanges helped stabilize property markets at the height of the COVID-19 lockdown. Today, like-kind exchanges are supporting local tax revenue and facilitating a faster and smoother repurposing of real estate assets.

### Maintain the Current Tax Treatment of Carried Interest

Proposed carried interest legislation would harm small businesses and partnerships; stifle entrepreneurial risk taking and sweat equity; and threaten improvements and infrastructure in long-neglected neighborhoods.

### Equitable Tax Treatment of Pass-Through Businesses

Closely held partnerships and pass-through businesses drive job growth and entrepreneurial activity. Congress should retain the 20% pass-through business income deduction.

### Expand Affordable Housing Through Tax Incentives

Safe, decent, and affordable housing is critical to the well-being of America's families, communities, and businesses. The low-income housing tax credit is an efficient, market-based housing solution that if expanded, could create and preserve more than 2 million additional affordable homes, support 3 million jobs, and generate \$119 billion in sustainable tax revenue.

### Incentivize Investments in Opportunity Zones

Opportunity Zones have mobilized \$75 billion in new investment in low-income communities in recent years. Congress should extend OZ deadlines to promote continued capital formation and job growth in underserved areas.

## Housing and Infrastructure

### Investing to Strengthen Physical Infrastructure

The *Infrastructure Investment and Jobs Act* is a long-term investment in infrastructure that will reimagine how we can productively move people, goods, power and information from home to work, business to business, community to community – and building to building.

### Bridging the Housing Gap Through GSE Reform

There is a chronic shortage of housing in the U.S. that is driving up housing prices and hurting the lower end of economic spectrum. The Roundtable continues to work to enact measures that will meet the nation's longstanding goal of ensuring decent and affordable housing for all. Having a robust housing finance system is critical to expanding America's housing infrastructure.

## Climate and Energy

### Energy Policies in IIJA Implementation

The *IIJA* makes the largest-ever federal investments to decarbonize the nation's electric grid so it can be powered by clean renewable energy sources, and to build out a nation-wide network of electric-vehicle charging stations.

### Flexible ESG Reporting Requirements

The SEC is moving toward corporate reporting rules on financial risks related to climate change this year. Variables such as available fuel supplies and the tenant/occupant mix in buildings affect how much energy an asset consumes. This favors a flexible approach to climate risk reporting, as opposed to a prescriptive, one-size-fits-all reporting standard.

### Clean Energy Tax Incentives

The suite of clean energy tax incentives included in the House-passed *BBB Act* should be made fully accessible to real estate companies to accelerate progress toward national goals to cut GHG emissions and achieve a 100% carbon-free electric grid over the next decade.

## Homeland Security

### Improving Resilience to Cyber and Physical Threats

Through our Homeland Security Task Force and Real Estate Information Sharing and Analysis Center (RE-ISAC), The Roundtable remains focused on information sharing and measures that businesses can take to improve their resilience in the face of ongoing cyber and physical threats.

## Capital and Credit

### Protecting American Businesses from Pandemic Risk

The Roundtable is working through the Business Continuity Coalition to develop and enact an effective federal public-private backstop program that provides the economy with the coverage it needs to protect American businesses in the face of pandemic risk.

### Ensuring a Smooth Transition from LIBOR

Roundtable-supported legislation passed by the House of Representatives in Dec., 2021 would protect trillions in "tough legacy" contracts that use LIBOR as a reference rate for financial transactions. This legislation will ensure a smooth transition away from LIBOR by promoting legal certainty, consistency, and limiting legal disputes.

### Reducing Regulatory Compliance Burdens

The new Advanced Notice of Proposed Rulemaking (ANPRM), issued by FinCEN, places substantial reporting obligations on businesses across the country. The Roundtable is working with partners and policymakers to ensure that industry professionals are not adversely affected by additional reporting burdens.



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