

Tax-Exempt Municipal Bonds Sustain the District of Columbia's Water Infrastructure

\$389.1 million – The value of tax-exempt municipal bonds issued in the District of Columbia in 2016 to fund improvements to drinking water and wastewater infrastructure.

\$165.3 million – Additional debt service costs the District of Columbia would incur over bond payback periods if interest earned on these bonds was fully taxable, **a 25 percent increase**.*

\$14.8 million – Clean Water and Drinking Water State Revolving Fund assistance the federal government provided to the District of Columbia in 2016. Fully taxing municipal bond interest would cost DC **11 times** the value of this year's SRF assistance.

Affordable investment in the District of Columbia's water infrastructure should not be a consequence of tax reform.

AMWA and NACWA urge you to preserve tax-exempt municipal bonds.



*Based on Bloomberg data assuming uniform \$50 million projects with 30-year loan maturities and "AA" credit ratings.