

# Tax-Exempt Municipal Bonds Sustain Arkansas' Water Infrastructure

**\$285.4 million** – The value of tax-exempt municipal bonds communities across Arkansas issued in 2016 to fund improvements to drinking water and wastewater infrastructure.

**\$121.2 million** – Additional debt service costs cities and towns in Arkansas would incur over their payback periods if interest earned on these bonds was fully taxable, **a 25 percent increase.\***

**\$21.4 million** – Clean Water and Drinking Water State Revolving Fund assistance the federal government provided to Arkansas in 2016. Fully taxing municipal bond interest would cost the state **more than 5 times** the value of this year's SRF assistance.

Affordable investment in Arkansas' water infrastructure should not be a consequence of tax reform.

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



ASSOCIATION OF  
METROPOLITAN  
WATER AGENCIES

NACWA  
A Clear Commitment to America's Waters

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