

Tax-Exempt Municipal Bonds Sustain Louisiana's Water Infrastructure

\$135.6 million – The value of tax-exempt municipal bonds communities across Louisiana issued in 2016 to fund improvements to drinking water and wastewater infrastructure.

\$57.6 million – Additional debt service costs cities and towns in Louisiana would incur over their payback periods if interest earned on these bonds was fully taxable, **a 25 percent increase.***

\$26.1 million – Clean Water and Drinking Water State Revolving Fund assistance the federal government provided to Louisiana in 2016. Fully taxing municipal bond interest would cost the state **more than twice** the value of this year's SRF assistance.

Affordable investment in Louisiana'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.