ISSUES

HOW RPAC SUPPORTED YOUR BUSINESS IN 2018

TAX RELIEF FOR REALTORS®
Specifically, as Americans were beginning preparations for the 2018 tax filing season, many in our industry were unsure how they would be impacted by the new 20 percent deduction on qualified business income. Since the details surrounding the ambiguous language of the law emerged in the summer 2018, NAR waged a comprehensive advocacy campaign in Washington, D.C. The result of those efforts were guidelines that enabled real estate professionals to benefit from the Section 199A 20 percent pass-through deduction. This puts more money into REALTOR® pockets to allow expanded operations and provide improved services to consumers and potential homebuyers.

IMPROVING HVCRE LEGISLATION TO ENCOURAGE INVESTMENT
Recent updates to voluntary international regulator capital standards for banks (Basel III) created a new risk-based capital category, known as the High Volatility Commercial Real Estate Exposures (HVCRE). This threatened the commercial real estate industry by slowing the flow of capital to investors, raising the risk-weight for an ADC loan, and making commercial loans less attractive to lenders. NAR worked with leaders in Congress to craft legislation that clarified and amended HVCRE rules, and a bill that included positive reforms for the real estate industry was signed into law in May 2018. The new law protects our industry against additional credit challenges while enhancing the flow of capital to commercial and residential entities. NAR also helped ensure HVCRE standards did not make loans for commercial acquisition, development, and construction unnecessarily complex and costly.

SECURING 1031 PROTECTIONS FOR REAL PROPERTY, TAXPAYERS
Shortly following passage of tax reform in Congress, NAR fought to protect the 1031 like-kind exchange for real property. This preservation of like-kind exchanges for real estate is a major victory for industry stakeholders who have publicly supported this provision for several years. Section 1031 encourages a broad spectrum of high-impact economic transactions, generating taxable income and helping to create jobs across the real estate industry.

SHARING QUALIFIED OPPORTUNITY ZONE REGULATIONS
Congress created the Qualified Opportunity Zone program in its 2017 tax reform law. The program was designed to encourage economic growth in traditionally underserved communities by offering tax benefits to investors operating in these areas and offers potential benefits for millions of Americans. NAR is currently working with the IRS and Treasury Department to craft and advance policies that will allow for the effective and efficient implementation of Qualified Opportunity Zone regulations.

CELEBRATING RPAC’S 50TH ANNIVERSARY
RPAC is celebrating its 50th anniversary in 2019! Since 1969, RPAC has been working to advance the American Dream of property ownership. In its first year, the Real Estate Political Education Committee (REPEC) had 300 investors with contributions totaling $28,000. Since then, the REALTORS® Political Action Committee (RPAC) has grown to more than 400,000 participants investing more than $9 million to RPAC at the federal level and $36 million at all three levels of the association. With the continued support of REALTORS® like you, RPAC is looking forward to what we’ll accomplish in the next 50 years — for our businesses, our clients, and our communities. For more information and resources to celebrate this milestone visit, realtorparty.realtor/rpac50.

For more information visit realtorparty.realtor

DECLARATION: Contributions are not deductible for federal income tax purposes. Contributions to RPAC are voluntary and are used for political purposes. The amounts indicated are merely guidelines and you may contribute more or less than the suggested amounts. The National Association of REALTORS® and its state and local associations will not favor or disfavor any member because of the amount contributed. Contributions to the National Political Action Committee (National RPAC) are not deductible for federal income tax purposes. Contributions to National RPAC are split between National RPAC and the State PAC in your state. Contact your State Association or PAC for information about the percentages of your contribution provided to National RPAC and to the State PAC. The National RPAC portion is used to support federal candidates and is charged against your limits under 52 U.S.C. 30116. 2019 VERSION 1

National Association of REALTORS®, REALTORS® Political Action Committee
550 New Jersey Avenue Washington, DC 20001

YOUR BEST INVESTMENT COMMERCIAL REAL ESTATE
RPAC 101

RPAC INVESTORS: $15 AND UP
The National Association of REALTORS®' REALTORS® Political Action Committee (RPAC) is one of the strongest advocacy organizations in the nation. And there’s one reason for that: our members. RPAC recognizes that an industry that shies away from politics is an industry whose future is unstable and uncertain. Your investments in RPAC helps to make us players on Capitol Hill and with lawmakers everywhere across the country.

Your continued involvement in the organization allows us to shape and define the size, scope, and success of our industry. Together, we’re protecting the future of real estate in America. Your investment ensures:

1. Leaders across the country can pour through legislation and evaluate how new bills and proposed regulations will impact you and your clients.
2. RPAC representatives can effectively lobby lawmakers in Washington, D.C. and in state legislatures throughout the U.S.
3. We can defend critical real estate-friendly policies like the Mortgage Interest Deduction (MID) and the 30-year mortgage.
4. The 100% health insurance deduction for independent contractors is protected.
5. Programs like FHA single family insurance and VA home loans remain available, attainable, and effective for prospective homebuyers everywhere in America.

Your commercial real estate industry faces a myriad of complex policy issues every day. But knowing RPAC — and the REALTOR®® Party — are out there on the front lines for me, means that I can be back at my desk making sure good clients are well-cared for.

— Bill Milliken, 2019 NAR Commercial Committee Chair

When RPAC supports REALTOR®-friendly candidates, we give them a leg up against legislators who have worked against us in the past. For a legislator to have the support of one of the nation’s top PACs, that makes a statement.

More than one-third of the funds NAR receives come from our Major Investors. Major Investors who invest annually are the advocates and political leaders that make up the backbone of RPAC.

What really sets REALTORS® apart from any other group on Capitol Hill is the President’s Circle program. President’s Circle members are RPAC Major Investors who invest an additional $2,000 directly to candidate and party committees.

PACs are limited to $5,000 annually in candidate contributions. The collective strength of the President’s Circle program, which has no such limit, makes us true political players in the nation’s capital. Candidates chosen to receive President’s Circle funds have met a stringent criteria set by NAR. We call these exceptional legislators REALTOR®® Champions. NAR calls on President’s Circle members to invest in these Champions throughout the year.

In order to fully impact the political and legislative process, these investments must be completed by September 30 of each year. Members also have the option of investing $500 of their $2,000 to a party committee on behalf of any member of Congress. Likewise, Federal Political Coordinators have the option of investing $500 directly to the member of Congress they serve.

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President’s Circle Conference
A long-standing tradition of the President’s Circle program is the preeminent President’s Circle Conference, which provides an opportunity to network with NAR’s top political investors and to engage with cutting-edge speakers. The three-day conference is held annually at a top hotel; three nights’ hotel accommodations, receptions and the full conference program are included in the $495 registration fee for the President’s Circle and/or Platinum R member. One guest is invited per registered attendee.

Hall of Fame
The Hall of Fame recognizes dedicated members whose RPAC investments total an aggregate of at least $25,000. Members are inducted at the REALTOR® Legislative Meetings in Washington, D.C. and are recognized with a lapel pin, a plaque on the D.C. NAR building rooftop, and a plaque commemorating installation.