

# **Obama Jobs Plan Includes Real Estate Effort**

**By Robert Freedman, Senior Editor, REALTOR® Magazine**

The \$447 billion jobs initiative President Obama introduced last night, called “The American Jobs Act.” contains some pieces that aim to boost home mortgage refinancing, rehab homes, cut taxes for small businesses, boost road, bridges, and other public-works spending, in part through an infrastructure bank, and otherwise inject momentum into the stalled economic recovery. Many of the specifics are still to come. Here’s a thumbnail summary of the key provisions provided by the White House:

- 1.** Cut in half the taxes paid by businesses on their first \$5 million in payroll, targeting the benefit to the 98 percent of firms that have payroll below this threshold.
- 2.** Give a payroll tax holiday for adding workers or increasing wages. The benefit is capped at the first \$50 million in payroll increases.
- 3.** Extend 100-percent expensing into 2012.
- 4.** Institute regulatory reforms to help entrepreneurs and small businesses access capital.
- 5.** Offer tax credits from \$5,600 to \$9,600 to encourage the hiring of unemployed veterans.
- 6.** Institute reforms to prevent up to 280,000 teacher layoffs and “to keep police and firefighters on the job.”
- 7.** Modernize at least 35,000 public schools and supporting new science labs and Internet-ready classrooms.
- 8.** Invest in infrastructure, in part through a National Infrastructure Bank.
- 9.** Launch “Project Rebuild” for rehabilitating homes, in part by leveraging private capital, “scaling land banks,” and encouraging other public-private collaborations.
- 10.** Expand access to high-speed wireless.
- 11.** Institute reforms to prevent layoffs and give states greater flexibility to use unemployment insurance funds for work-sharing and other programs, including programs in which displaced workers take temporary, voluntary work or pursue on-the-job training.
- 12.** Offer a \$4,000 tax credit to employers for hiring long-term unemployed workers; prohibit employers from discriminating against unemployed workers in hiring and training programs.
- 13.** Cut payroll taxes by 50 percent, for an average tax cut of \$1,500 per worker.
- 14.** Increase home mortgage refinancing.