



# Talking Points on Key Housing Issues

July 2025

*The following talking points help tell the residential construction industry story to the media, policymakers, NAHB members, local/civic organizations, and consumers.*

## Key NAHB Housing Issues

1. **One Big Beautiful Bill Act a Big Win for our Members.** NAHB helped secure several key housing and business provisions in this sweeping tax and domestic policy legislation that will benefit small businesses, real estate and our members.
2. **The Supreme Court Issued a Ruling that Limits Nationwide Injunctions.** The verdict takes away one option for the association to protect all our members when filing a lawsuit challenging problematic rules and regulations that harm housing affordability.
3. **Appeals Court Temporarily Reinstates Trump's Tariffs but Market Uncertainty Remains.** The Court of Appeals for the Federal Circuit issued a ruling on May 29 that stayed the May 28 order by the Court of International Trade that halted Trump's national emergency tariffs. The back-and-forth court rulings are fueling market uncertainty.
4. **A Quick Start Out of the Gate.** NAHB has made solid progress in advancing our housing policy objectives in the early months of the new Congress and administration.
5. **Immigration Reform.** While the need for safe and secure borders is paramount, NAHB believes that mass deportation is not the answer because any shock to the labor force would have an adverse impact on housing costs and supply.
6. **Housing Market Snapshot:** Single-family starts and existing home sales posted gains in May while multifamily production and new home sales registered declines. Meanwhile, builder confidence in June fell two points to a reading of 32.

## “Big, Beautiful” Tax Bill Largely Positive for NAHB Members

- NAHB secured several key [victories in the One Big Beautiful Bill Act](#) passed by Congress on July 3. The bill, which is expected to be signed into law by President Trump on July 4, includes several important housing and business provisions that will benefit small businesses, real estate and our members:

- **The Tax Cuts and Jobs Act's** key provisions will be made permanent, including the tax rate structure and increased exemptions for the Alternative Minimum Tax. This blocks a \$4 trillion tax increase set to take effect next year.
- **The Section 199A Qualified Business Income Deduction**, which helps provide tax parity for pass-through entities, is made permanent at 20%.
- **100% bonus depreciation** is restored and made permanent.
- **The Low-Income Housing Tax Credit** will be expanded permanently with a 12% increase in 9% credit allocations along with reducing the 4% bond test to 25%, which will expand resources in bond-constrained states.
- **The estate tax exemption** will increase to \$15 million, be made permanent and indexed to inflation.
- **The individual state and local tax (SALT) limit** will increase from \$10,000 up to \$40,000 for taxpayers earning less than \$500,000 for a five-year period and revert back to a \$10,000 cap in 2030, which means that debate over limiting SALT deductions will continue in the coming years.
- **A business SALT** provision limiting the amount of state income taxes a pass-through business can deduct was removed from the final bill in a big win for NAHB. This means that **none of our members face a business SALT tax increase.**

#### Energy Tax Credits Face Early Termination

- The one negative in the tax title of H.R. 1 is the early termination of the energy tax credits, particularly the Section 45L New Energy Efficient Home Credit, the Section 25D Residential Clean Energy Credit, and the Section 48E Clean Electricity Investment Credit.
- The Section 45L credit will be eliminated effective June 30, 2026, the Section 25D credit will expire at the end of 2025 and the Section 48E credit will be eliminated for eligible property that is not placed in service by Dec. 31, 2027.
- NAHB believes the most effective way to promote energy efficiency is through voluntary tax incentives. Moreover, NAHB remains concerned because H.R. 1 lacks sufficient transition time for home builders, home owners and remodelers who use these tax credits.
- Over their history, these energy tax credits have been subject to starts and stops as Congress has allowed them to expire. This history suggests that this is not the final word on these tax credits, and NAHB will look for future opportunities to revive them.
- Finally, the bill also includes provisions regarding two NAHB key priorities to increase domestic timber production as well as provide additional resources for workforce development.

## Supreme Court Limits Nationwide Injunctions

- In a 6-3 decision, the Supreme Court on June 30 issued a ruling in the case *Trump v. CASA, Inc.* that would [limit the use of nationwide universal injunctions](#). A universal injunction stops the defendant from taking an action against anyone, anywhere.
- NAHB filed [a friend-of-the-court brief](#) in the case in support of universal injunctions. We took no position in the underlying case that deals with birthright citizenship.
- When associations like NAHB bring litigation against the government, they do so on behalf of their members – no matter where in the country they are located – in other words, nationwide.
- The Supreme Court verdict essentially blocks this process by limiting the power of federal courts to issue nationwide blocks.
- The verdict takes away one option for the association to protect all our members when filing a lawsuit challenging problematic rules and regulations that harm housing affordability.
- However, a majority of our federal litigation is based on the Administrative Procedure Act. The Supreme Court did not take any position on whether courts can vacate agency action under that statute.

## Appeals Court Temporarily Reinstates Trump's Tariffs

*This section on tariffs is updated as of 11 a.m. ET on June 30, 2025.*

- The Court of Appeals for the Federal Circuit issued a ruling on May 29 that stayed the May 28 order by the Court of International Trade that halted Trump's national emergency tariffs.
- As a result of the appeals court decision, tariffs announced by Trump against several dozen nations on April 2 under the moniker of "Liberation Day" can be reinstated. The appellate court decision also means that Trump's executive orders imposing 25% duties on Canadian and Mexican goods and a 20% tariff on Chinese products over concerns about border security and drug trafficking can continue to go forward.
- The federal appeals court said a temporary stay allowing the tariffs to go forward would remain in place until it rules on the administration's request to rescind the trade court's decision.
- Adding further confusion on the legal front, a federal district judge on May 29 also ruled against Trump's use of emergency tariffs in a separate case not covered by the federal circuit's stay.

- This case will go before a different federal appeals court but the judge has put his own ruling on hold for two weeks to give the administration time to appeal.

### Many Tariffs Remain in Place

- In addition to the Liberation Day tariffs and levies imposed on China, Canada and Mexico to stop the flow of fentanyl coming into the United States, other tariffs that Trump has imposed remain in effect.
- These include tariffs enacted under Section 232 of the Trade Expansion Act of 1962, which were levied in March to expand existing steel and aluminum tariffs and place a 25% tariff on foreign auto imports. Trump then doubled the tariffs on steel and aluminum to 50% effective June 4.
- Countervailing (anti-subsidy) and anti-dumping duties on Canadian lumber currently totaling 14.5% that were imposed by the U.S. Commerce Department remain in effect and [these duties are expected to more than double](#) later this year.

### Tariff Whiplash Has Already Hurt Housing Affordability

- The on-again, off-again nature of the tariffs and threats of higher levies have already had a negative effect on housing affordability by creating business uncertainty and disrupting building material supply chains.
- In an April survey, builders estimated that recent actions on tariffs will [add \\$10,900 to the average cost of a new home.](#)
- And in a [May survey of builders](#), 78% reported difficulties pricing their homes recently due to uncertainty around material prices.
- Further compounding affordability concerns is the fact that the cost of building materials has already risen 41.6% in the five years since the pandemic – well above the 21.9% rate of inflation.
- Last year alone, more than \$120 billion in construction and housing goods were imported, including softwood lumber, appliances, roof shingles and much more.
- As of now, the situation on the tariff front remains fluid. The back-and-forth court rulings over May 28-29 illustrate the need for the Trump administration to seek fair, equitable deals with America's trading partners that roll back tariffs on building materials.
- Learn the latest at [nahb.org/trade](https://nahb.org/trade).

## A Quick Start Out of the Gate

- NAHB has made solid progress on advancing our housing policy objectives in the early months of the new Congress and administration.
- President Trump issued an [executive order](#) on his first day in office that seeks to lower the cost and increase the supply of housing. The president noted that regulatory requirements alone account for 25% of the cost of constructing a new home.
- In one of his first official speaking engagements after being sworn in as HUD secretary, [Scott Turner addressed the NAHB Leadership Council](#) during the International Builders' Show in Las Vegas and pledged to work with builders to cut regulations and boost the nation's housing supply.

### Legislative

- In a major win for NAHB, Congress has approved a resolution that will [block the Biden administration's recent attempt to ban certain natural gas waters](#).
- The House has [passed the Fix Our Forests Act](#) (H.R. 471), legislation that would contribute to better forest management practices, help strengthen the nation's housing supply chain and promote affordable housing opportunities for all Americans.
- The Senate and House have introduced the [CONSTRUCTS Act, bipartisan workforce development legislation](#) that addresses the lack of workers in the housing sector by expanding opportunities for residential construction training programs at community colleges and technical education schools.
- Both chambers have introduced the [Energy Choice Act](#), legislation that would prevent state or local governments from banning the use of gas in homes and buildings.
- [The Keeping Homeownership Costs Down Act](#), legislation that NAHB has seeking for more than two years, was introduced in the House on June 6. The bill would address major flood mapping issues in California and nationwide that would allow new housing developments to go forward and bring down insurance costs for home buyers and home owners.
- NAHB worked with lawmakers to [advance the Permit Act](#) (H.R. 3898), through the House Transportation and Infrastructure Committee. The legislative package is aimed at providing the necessary clarity and confidence needed under the Clean Water Act permitting process.
- On the codes front, bipartisan legislation was introduced in the House and Senate (the [Promoting Resilient Buildings Act](#)) that would help jurisdictions preserve local control over the building code adoption process while also encouraging communities to take positive steps to withstand and recover from extreme events.

- NAHB-supported legislation that will [improve the Low-Income Housing Tax Credit](#) and allow builders to increase the production of badly needed affordable rental housing has been introduced in the House and Senate. The Affordable Housing Credit Improvement Act of 2025 has 114 bipartisan cosponsors in the House.
- NAHB has already testified before Congress on three separate sessions this year. Keep in mind many trade organizations do not get the chance to appear before Congress even once a year.
- NAHB has testified on:
  1. [Onerous regulations](#) that harm housing affordability,
  2. The need to [ease supply-side bottlenecks](#) that are the main drivers of low housing supply, and
  3. How [permitting roadblocks](#) raise housing costs.
- [NAHB Senior Officers in early February also met with Capitol Hill leaders](#) to address key issues affecting the housing affordability crisis.

## Regulatory

### WOTUS to be Revamped

- In a move strongly supported by NAHB, Environmental Protection Agency (EPA) Administrator Lee Zeldin [announced](#) on March 12 that EPA will work with the U.S. Army Corps of Engineers (Corps) to solicit public input and craft a new regulation for the waters of the U.S. (WOTUS) rule.

Zeldin said the goal is to reduce red tape, cut overall permitting costs and lower the cost of business in communities across the country while protecting the nation's navigable waters from pollution.

NAHB will be participating in this rulemaking process by submitting comments to the agencies that lay out our vision to enact common sense regulatory reforms to the WOTUS rule.

### 6-Month Delay on HUD's 2021 IECC Rule

- In a win for NAHB and the housing industry, the Trump administration has [announced a six-month delay](#) in the implementation of the Biden administration's mandatory energy code, an important step forward to help ease the nation's housing affordability crisis.

Specifically, the Department of Housing and Urban Development (HUD) and Department of Agriculture (USDA) will [wait an additional six months before enforcing the compliance dates](#) for adopting the 2021 International Energy Conservation Code (IECC) and ASHRAE 90.1-2019 as the minimum energy-efficiency standards for certain single-family and multifamily housing programs.

On Jan. 2, NAHB and 15 state attorneys general [filed a complaint](#) in the Eastern District of Texas seeking to stop HUD and the USDA from adopting the 2021 IECC and ASHRAE 90.1-2019 as the minimum energy-efficiency standards for certain single-family and multifamily housing programs.

NAHB is also working to get legislation introduced in Congress that will achieve the same goal.

### **U.S. Firms Exempt from Beneficial Ownership Reporting**

- In a win for NAHB and the small business community, the U.S. Treasury's Financial Crimes Enforcement Network (FinCEN) [published an interim final rule](#) on beneficial ownership information (BOI) reporting requirements that narrows the BOI reporting requirements to foreign reporting companies only.

NAHB has actively advocated to protect small businesses from these substantial compliance burdens, including [working with lawmakers](#) to provide ample time to understand and comply with these reporting rules and [filing an amicus brief](#) to question their constitutionality.

This rule removing BOI reporting requirements for U.S. companies and U.S. persons became effective on March 26, 2025

### **FHA to Cut All Multifamily Mortgage Insurance Premiums to 0.25%**

- In an [important win for NAHB members](#), the Federal Housing Administration has announced that it is [proposing to reduce the FHA multifamily mortgage insurance premiums \(MIP\) for all multifamily programs to 25 basis points](#) — the statutory minimum that HUD must charge.

For context, the current multifamily MIPs range from 25 basis points up to 95 basis points.

A blanket 25 basis for all multifamily programs will make these programs cost effective and should serve to stimulate the production of multifamily housing.

### **Energy-Efficiency Mandates Suspended**

- In a move supported by NAHB, the Department of Energy announced in mid-February that it will [postpone the implementation of the latest round of restrictive energy efficiency mandates](#) on key home energy appliances, including for gas powered instantaneous (tankless) water heaters.
- Our solid start to 2025 was built on a strong foundation that we created last year where we laid the groundwork to [make housing a top priority](#) at all levels of government.
- You can [learn](#) more about NAHB's advocacy team wins for our Federation in 2024 at [nabh.org/advocacy/advocacy-overview](https://nabh.org/advocacy/advocacy-overview).

## Immigration Reform is Key to Building a Skilled Workforce

- The immigrant workforce plays a critical role in meeting the nation's housing needs. Indeed, nearly a third of the U.S. construction workforce is comprised of immigrant workers.
- While the need for safe and secure borders is paramount, NAHB believes that mass deportation is not the answer.
- Any shock to the labor force would have an adverse impact on housing costs and supply.
- Government data show we are anywhere between 200,000 to 400,000 workers short in our industry.
- This lack of skilled labor slows down the pace of construction, drives up labor costs and ultimately leads to higher home prices.

### Solutions

- To enact immigration reform that secures America's borders without raising housing costs and curbing the nation's housing supply, policymakers need to:
  1. Protect the nation's borders.
  2. Ensure that employers continue to be responsible only for verifying the identity and work authorization of their direct employees – and NOT the employees of their subcontractors.
  3. Create a new temporary worker visa with the visa caps driven by market demand rather than arbitrarily set by the federal government.
  4. Continue to support the legal pathways that allow immigrant populations to enter and work in the U.S., such as preserving the H-2B temporary guest worker program. This program is a valued tool for accessing immigrant labor for roles in construction when there is no available domestic talent.
  5. Create new pathways to permanent residency or citizenship for those workers who are already in the U.S. and contributing key benefits to the economy. The home building industry risks an exacerbated skills gap if long-term workers with unique technical expertise are not given the opportunity to continue providing vital contributions to increase America's housing supply.
- Learn more [here](#).

# Housing Market Snapshot

Latest Data: May 2025 (As of 6/25/25)

Housing Starts	Current Value	Monthly Change	Yearly Change
Single-family:	924,000 AR	0.43%	-7.32%
Multifamily:	332,000 AR	-29.66%	4.08%

Median SF Home Price			
<u>New:</u>	\$429,300	2.61%	2.86%
<u>Existing:</u>	\$414,700	0.34%	1.29%

SF Home Sales			
<u>New:</u>	623,000 AR	-13.71%	-6.32%
<u>Existing:</u>	3.67 million AR	1.10%	0.27%

Notes: AR - Annual Rate, SF - Single-family, Seasonally Adjusted Data

Source: U.S. Census Bureau, National Association of Realtors, NAHB Analysis

[NAHB/Wells Fargo Housing Market Index](#)– The index, which measures builder confidence in the market for newly built single-family homes, fell two points to 32 in June from a reading of 34 in May. Any number below 50 indicates that more builders view sales conditions as poor than good.

**NAHB Chief Economist Robert Dietz’s analysis:** “Single-family permits, construction starts and new home sales are down on a year-to-date basis for 2025 for what has been a disappointing spring housing market, due to ongoing elevated mortgage interest rates, challenging housing affordability conditions led by higher construction costs, and macroeconomic uncertainty. Despite the use of builder sales incentives, including 37% of home builders reporting cutting prices in the latest NAHB builder survey, the housing market has slowed. As estimated by NAHB, total months’ supply, a combination of current new and resale single-family inventory, now stands at 5.2. This is the highest sales-adjusted inventory level since 2015 and will place downward pressure on housing construction starts in the months ahead. Given current inventory levels and weakened housing demand, builders should exercise caution with respect to construction planning.”