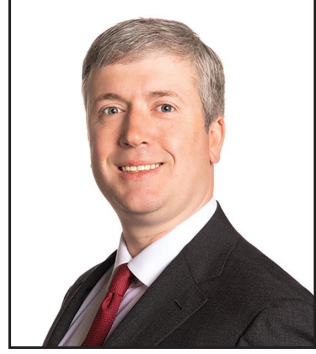




Tax-Exempt Bonds are essential for rebuilding American infrastructure



The Tax Cuts and Jobs Act of 2017 under President Trump was largely responsible for the growing economy and increasing wages we experienced in America before the pandemic changed everything in 2020. While the changes the law enacted were enormously beneficial, and I hope Congress will make the law permanent, it contained one provision Congress should correct.

The law eliminated the tax exemption for advance refunding bonds that benefitted local governments and certain non-profits like 501(c)(3) hospitals. Presumably that was to generate revenue from bondholders who are now required to pay income tax on interest payments. That revenue was used by the bean counters in Congress to pay for tax cut provisions in the bill and lower the overall cost of the legislation, but that provision has been a costly one for local governments.

Unlike a typical mortgage or personal loan, municipal bonds cannot be prepaid at any time. Instead, most are issued with a call date that is 5 or 10 years from issue, after which the bonds may be paid. Issuers may want to refinance and lock in lower interest rates to save taxpayer dollars before the call date on certain bonds. That is where advance refunding bonds were useful, and the tax exemption made them appealing and affordable, saving taxpayers and local entities across the country billions of dollars.

According to experts in the field, between 2012 and 2017 there were more than 9,000 advance refunding issuances, representing about 20 percent of bond activity, with a total value of \$475 billion that saved taxpayers \$14 billion in that period. With interest rates going up, the loss of tax-exempt advance refunding will increasingly hurt local governments and increase burdens to taxpayers.

Tax-exempt bonds were included in the first tax code written in 1913 and have been an essential tool for state and local governments to finance construction or improvement of roads, bridges, schools, hospitals, ports, jails, airports, water and sewer systems, and other projects for public benefit.

Before the Tax Cuts and Jobs Act of 2017, advance refunding bonds were also tax-exempt and provided flexibility to restructure or refinance public debt, which allowed state and local governments to lower borrowing costs.

The projects financed with tax-exempt bonds are drivers of job creation and economic growth across the country. As we continue to recover from the pandemic, work to get our economy growing again, and seek to rebuild aging infrastructure, restoring the tax-exemption for advance refunding bonds would provide much-needed flexibility and savings for local governments.

One sector we have heard

a lot about recently in Mississippi that would benefit greatly from restoring this tax exemption is water and waste water systems. The Environmental Protection Agency (EPA) reports local governments across the country will need to invest over \$650 billion in drinking water and waste water infrastructure improvements over the next 20 years just to maintain current levels of service. Since the vast majority of water infrastructure improvements are paid for at the local level, failing to restore this critical tax exemption will cost taxpayers tens of millions of dollars in higher interest costs just for water projects alone.

I hope you will join me in encouraging our federal delegation to make the Tax Cuts and Jobs Act of 2017 permanent but restore the tax-exemption for advance refunding bonds to give our local communities the cost savings and flexibility needed to continue investing in infrastructure improvements of all kinds.

Mississippi Treasurer David McRae is the 55th Treasurer for the State of Mississippi. In this role, he helps manage the state's cash flow, oversees College Savings Mississippi, and has returned more than \$20 million in unclaimed money to Mississippians. For more information, visit Treasury.MS.gov.

MIXED DRINKS

By Kyle Kelly

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14	15				15						16			
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T	H	R	U		O	X	I	D	E		A	L	B	A
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42					43					44				
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65					66					67				
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68					69					70				
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CLASSIFIEDS

JOB OPPORTUNITY GOODMAN TOWN ATTORNEY

The fundamental reason this classification exists is to provide professional legal work of a civil or criminal nature to the Town of Goodman, under the supervision of the Town Attorney. The work responsibilities are performs legal research; prepares or reviews legal documents; investigates claims and complaints; represents the Town in federal litigation; investigates and prepares cases for trial; represents the Town Council and the Town's Board of Zoning Adjustments in appeals; represents the City and workers' compensation claims and lawsuits; responds to subpoenas and requests for records; and prosecutes misdemeanor and traffic cases in municipal court.

Minimum Qualifications
Graduation from a recognized law school, and possession of a certificate of admission to the Bar of the Supreme Court, and at least three years of experience in the practice of law, which may include the completion of a clerkship while attending law school or post law school with a state or federal judge or with the City Legal Department.

Kind of Examination
Applications are being accepted to fill one (1) vacancy and any other vacancies that may occur during the life of the register. The current vacancy is with the Town of Goodman. Applicants will be screened and qualified based upon education and experience as shown on the application.
Opening Date: March 6, 2023
Closing Date: March 30, 2023
Applicant can submit their credentials to the
Goodman Town Hall

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