

## MREIA Legislative Update: June 2008

by Dave Corsi, Legislative Awareness Chair

Welcome to the newest addition to the *Metro*; the ***MREIA Legislative Update***. Recent changes in the housing market have brought increased scrutiny from lawmakers throughout the nation.

A whole slew of legislation has been proposed at both the state and federal levels. Much of the proposed legislation would have a negative impact on our industry, the economy and homeowners.

It became clear to the leadership of MREIA, as well as other investor groups throughout the nation, that the push for regulation was here to stay. To ensure that the voices of real estate investor's are being heard, the leadership of *MREIA* in conjunction with *GSREIA* and *SOUTH JERSEY INVESTORS*, came together to form the *New Jersey Association of Real Estate Professionals* (NJAREP) to have a voice in Trenton and Washington.

NJAREP has hired a lobbyist, Management & Government Resources, Inc. (MGR) to help represent our industry. MGR's President, Mr. Barry Lefkowitz, has done a commendable job in making sure that our concerns and proposals are being heard at the state and federal levels. In fact NJAREP has been cited, and is now being used as the model for other REIA groups around the nation.

I would like to acknowledge the MREIA members that have been instrumental in NJAREP, Sak Potiatis, Nick Zampetti and Dan Schwartz.

Upcoming columns will deal with specific bills and legislation that will have a profound impact on real estate investing. To read bills that are being proposed at the state level is easy: just go to; <http://www.njleg.state.nj.us/>. In the upper right hand column are the bill search functions. Fill in data and click search.

**Besides reacting to proposed legislation, we have gone on the offensive and proposed legislation as well.** We have traveled to Washington and we proposed changes to the tax code to allow builders, rehabbers and dealers to take installment sale tax treatment (currently disallowed). This simple change would be a classic win - win for all involved. Unlike the current IRC code, the tax would be due as the payments are received.

We currently have several members of Congress who have agreed to sponsor this legislation. In the future we will ask National REIA members throughout the nation to contact their representatives in Congress and the US Senate, urging support and passage of the above legislation. We will keep you posted in future update columns.

**The key to success is to become and to stay involved.** The process we have undertaken is a long-term commitment, the same as your investing career. Give serious thought to:

- (a) Becoming active at your local level (township planning boards)
- (b) Letter writing and guest editorials to your hometown paper
- (c) Calls, letters, faxes and emails to your elected officials

In our meetings with legislators, chiefs of and staff, etc., one thing has become crystal clear: *the squeaky wheel gets the grease!* So make sure they hear from you. Best wishes in your investing endeavors.