

108TH CONGRESS  
1ST SESSION

# H. R. 32

To amend the Internal Revenue Code of 1986 to provide a higher purchase price limitation applicable to mortgage subsidy bonds based on median family income.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 2003

Mr. BEREUTER introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide a higher purchase price limitation applicable to mortgage subsidy bonds based on median family income.

1       *Be it enacted by the Senate and House of Representa-  
2       tives of the United States of America in Congress assembled,*

**3 SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “First-Time Home  
5       Ownership Made Easy Act of 2003”.

1   **SEC. 2. INCREASE IN PURCHASE PRICE LIMITATION UNDER**  
2                   **MORTGAGE SUBSIDY BOND RULES BASED ON**  
3                   **MEDIAN FAMILY INCOME.**

4       (a) **IN GENERAL.**—Paragraph (1) of section 143(e)  
5 of the Internal Revenue Code of 1986 (relating to pur-  
6 chase price requirement) is amended to read as follows:

7               “(1) **IN GENERAL.**—An issue meets the require-  
8       ments of this subsection only if the acquisition cost  
9       of each residence the owner-financing of which is  
10      provided under the issue does not exceed the greater  
11      of—

12               “(A) 90 percent of the average area pur-  
13       chase price applicable to the residence, or  
14               “(B) 3.5 times the family income limit ap-  
15       plicable to the mortgagors with respect to such  
16       residence under subsection (f).”

17       (b) **EFFECTIVE DATE.**—The amendment made by  
18 this section shall apply to financing provided, and mort-  
19 gage credit certificates issued, after the date of the enact-  
20 ment of this Act.

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