

108TH CONGRESS  
1ST SESSION

# H. R. 3508

To amend the Internal Revenue Code of 1986 to expand the tax benefits  
for the New York Liberty Zone.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 2003

Mr. HOUGHTON (for himself and Mr. RANGEL) 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 expand  
the tax benefits for the New York Liberty Zone.

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. EXPANSION OF NEW YORK LIBERTY ZONE TAX**

4               **BENEFITS.**

5           (a) EXTENSION OF TAX-EXEMPT BOND FINANC-  
6       ING.—Subparagraph (D) of section 1400L(d)(2) of the  
7       Internal Revenue Code of 1986 is amended by striking  
8       “2005” and inserting “2010”.

9           (b) INCREASE IN MAXIMUM AMOUNT OF BONDS FOR  
10       RESIDENTIAL PROPERTY.—Clause (ii) of section

1 1400L(d)(3)(B) of such Code is amended by striking  
2 “\$1,600,000,000” and inserting “\$3,000,000,000”.

3 (c) ELIMINATION OF SQUARE FOOTAGE REQUIRE-  
4 MENT FOR NON-PUBLIC UTILITY PROJECTS.—

5 (1) IN GENERAL.—Subparagraph (B) of section  
6 1400L(d)(4) of such Code is amended to read as fol-  
7 lows:

8 “(B) COSTS FOR CERTAIN PROPERTY OUT-  
9 SIDE ZONE INCLUDED.—In the case of certain  
10 property located outside the New York Liberty  
11 Zone but within the City of New York, such  
12 term includes the cost of—

13 “(i) acquisition, construction, recon-  
14 struction, and renovation of nonresidential  
15 real property (including fixed tenant im-  
16 provements associated with such property),  
17 if such property is part of a project which  
18 consists of at least 100,000 square feet of  
19 usable office or other commercial space lo-  
20 cated in a single building or multiple adja-  
21 cent buildings, or

22 “(ii) acquisition, construction, and in-  
23 stallation of real and personal property for  
24 one or more electric generation facilities

1                   with an installed capacity of no more than  
2                   300 megawatts each.”.

3                   (2) INSTALLED CAPACITY DEFINED.—Para-  
4                   graph (4) of section 1400L(d) of such Code is  
5                   amended by adding at the end the following new  
6                   subparagraph:

7                   “(C) INSTALLED CAPACITY DEFINED.—  
8                   The term ‘installed capacity’ means, with re-  
9                   spect to any site, the installed capacity of all  
10                  electrical generating equipment placed in service  
11                  at such site. Such term includes the capacity of  
12                  equipment installed during the 3 taxable years  
13                  following the taxable year in which the equip-  
14                  ment is placed in service.”.

15                  (3) EFFECTIVE DATE.—The amendments made  
16                  by this subsection shall apply to property placed in  
17                  service after December 31, 2003.

18                  (d) ELECTION OUT TECHNICAL AMENDMENT.—

19                  (1) IN GENERAL.—Subsection (c) of section  
20                  1400L of such Code is amended by adding at the  
21                  end the following new paragraph:

22                  “(5) ELECTION OUT.—For purposes of this  
23                  subsection, rules similar to the rules of section  
24                  168(k)(2)(C)(iii) shall apply.”.

1           (2) EFFECTIVE DATE.—The amendment made  
2       by this subsection shall take effect as if included in  
3       the amendments made by section 301 of the Job  
4       Creation and Worker Assistance Act of 2002.

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