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109TH CONGRESS
1ST SESSION

H. R. 1984

To amend the Internal Revenue Code of 1986 to extend the low-income housing credit for certain buildings in high cost areas.

IN THE HOUSE OF REPRESENTATIVES

APRIL 28, 2005

Mr. GERLACH 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 extend the low-income housing credit for certain buildings in high cost areas.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF LOW-INCOME HOUSING CREDIT FOR CERTAIN BUILDINGS IN HIGH COST AREAS.

(a) IN GENERAL.—Clause (i) of section 42(d)(5)(C) of the Internal Revenue Code of 1986 (relating to increase in credit for buildings in high cost areas) is amended to read as follows:

"(i) IN GENERAL.—In the case of any building located in a qualified census tract or difficult development area, or in the case of any building that provides a community service facility and is located within 1000 feet of a qualified census tract, which is designated for purposes of this subparagraph—

"(I) in the case of a new building, the eligible basis of such building shall be 130 percent of such basis determined without regard to this subparagraph, and

"(II) in the case of an existing building, the rehabilitation expenditures taken into account under subsection (e) shall be 130 percent of such expenditures determined without regard to this subparagraph.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) housing credit dollar amounts allocated after December 31, 2004, and

(2) buildings placed in service after such date to the extent paragraph (1) of section 42(h) of the

Internal Revenue Code of 1986 does not apply to any building by reason of paragraph (4) thereof, but only with respect to bonds issued after such date.

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