

109TH CONGRESS
1ST SESSION

S. 1800

To amend the Internal Revenue Code of 1986 to extend the new markets tax credit.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29, 2005

Ms. SNOWE (for herself, Mr. ROCKEFELLER, and Mr. BUNNING) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to extend the new markets tax credit.

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 “New Markets Tax
5 Credit Reauthorization Act of 2005”.

6 **SEC. 2. EXTENSION OF NEW MARKETS TAX CREDIT.**

7 (a) EXTENSION.—

8 (1) IN GENERAL.—Paragraph (1) of section
9 45D(f) of the Internal Revenue Code of 1986 (relat-

1 ing to new markets tax credit) is amended to read
2 as follows:

3 “(1) IN GENERAL.—There is a new markets tax
4 credit limitation of \$3,500,000,000 for each of cal-
5 endar years 2008 through 2012.”.

6 (2) CONFORMING AMENDMENT.—Paragraph (3)
7 of section 45D(f) of such Code is amended by strik-
8 ing “2014” and inserting “2019”.

9 (b) INFLATION ADJUSTMENT.—Subsection (f) of sec-
10 tion 45D of such Code is amended by inserting at the end
11 the following new paragraph:

12 “(4) INFLATION ADJUSTMENT.—

13 “(A) IN GENERAL.—In the case of any cal-
14 endar year beginning after 2008, the dollar
15 amount in paragraph (1) shall be increased by
16 an amount equal to—

17 “(i) such dollar amount, multiplied by

18 “(ii) the cost-of-living adjustment de-
19 termined under section 1(f)(3) for the cal-
20 endar year, determined by substituting
21 ‘calendar year 2007’ for ‘calendar year
22 1992’ in subparagraph (B) thereof.

23 “(B) ROUNDING RULE.—If a dollar
24 amount in paragraph (1), as increased under
25 subparagraph (A), is not a multiple of

1 \$1,000,000, such amount shall be rounded to
2 the nearest multiple of \$1,000,000.”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 December 31, 2007.

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