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115TH CONGRESS
2D SESSION

H. R. 6627

To amend the Internal Revenue Code of 1986 to provide for new markets tax credit investments in the Rural Jobs Zone.

IN THE HOUSE OF REPRESENTATIVES

JULY 26, 2018

Mr. SMITH of Missouri (for himself and Ms. SEWELL of Alabama) 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 for new markets tax credit investments in the Rural Jobs Zone.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Rural Jobs Act''.

SEC. 2. ALLOCATIONS OF NEW MARKETS TAX CREDIT LIMITATION FOR THE RURAL JOBS ZONE.

(a) IN GENERAL.—Section 45D(f) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(4) ALLOCATIONS FOR THE RURAL JOBS ZONE.—

"(A) IN GENERAL.—In addition to any new markets tax credit limitation under paragraph (1), there are the following amounts of new markets tax credit limitation which shall be allocated by the Secretary only to Rural Jobs Zone development entities for making Rural Jobs Zone equity investments:

"(i) $500,000,000 for 2018.

"(ii) $500,000,000 for 2019.

"(B) RURAL JOBS ZONE DEVELOPMENT ENTITY.—For purposes of this paragraph, the term 'Rural Jobs Zone development entity' means any qualified community development entity a significant mission of which is the economic development of, and the creation and retention of jobs in, the Rural Jobs Zone.

"(C) RURAL JOBS ZONE EQUITY INVESTMENT.—For purposes of this paragraph, the term 'Rural Jobs Zone equity investment' means any equity investment which would be a qualified equity investment if the only low-income community was the Rural Jobs Zone.

"(D) RURAL JOBS ZONE.—For purposes of this paragraph, the term 'Rural Jobs Zone' means the area comprised of low-income communities which are a portion of neither—

"(i) a city or town that has a population of greater than 50,000 inhabitants, nor

"(ii) any urbanized area contiguous and adjacent to such a city or town.

"(E) MINIMUM INVESTMENT IN PERSISTENT POVERTY COUNTIES AND HIGH MIGRATION RURAL COUNTIES.—

"(i) IN GENERAL.—The Secretary shall prescribe regulations or other guidance pursuant to which not less than 25 percent of the Rural Jobs Zone equity investments made pursuant to allocations made under this paragraph are invested in areas which are persistent poverty counties, high migration rural counties (as defined in subsection (e)(5)(B)), or both.

"(ii) PERSISTENT POVERTY COUNTIES.—For purposes of this subparagraph, the term 'persistent poverty county' means any county that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial censuses and the most recent Small Area Income and Poverty Estimates.

"(F) APPLICATION OF CARRYOVER.—Paragraph (3) shall be applied separately with respect to the amounts specified in subparagraph (A).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to allocations made after the date of the enactment of this Act.

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