

103^D CONGRESS
1ST SESSION

S. 1688

To amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 19 (legislative day, NOVEMBER 2), 1993

Mr. GRAHAM (for himself, Mr. DOMENICI, and Mr. MACK) 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 treat spaceports like airports under the exempt facility bond rules.

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. SPACEPORTS TREATED LIKE AIRPORTS UNDER**

4 **EXEMPT FACILITY BOND RULES.**

5 (a) IN GENERAL.—Paragraph (1) of section 142(a)
6 of the Internal Revenue Code of 1986 (relating to exempt
7 facility bond) is amended to read as follows:

8 “(1) airports and spaceports,”.

1 (b) TREATMENT OF GROUND LEASES.—Paragraph
2 (1) of section 142(b) of such Code is amended by adding
3 at the end thereof the following new subparagraph:

4 “(C) SPECIAL RULE FOR SPACEPORT
5 GROUND LEASES.—For purposes of subpara-
6 graph (A), spaceport property which is located
7 on land owned by the United States and which
8 is leased to a governmental unit shall be treated
9 as owned by such unit if—

10 “(i) the lease term (as defined in sec-
11 tion 168(i)(3)) is at least 15 years, and

12 “(ii) such unit would be treated as
13 owning such property if such lease term
14 were equal to the useful life of such prop-
15 erty.”.

16 (c) Paragraph (3) of section 149(b) of such Code is
17 amended by adding at the end thereof the following new
18 subparagraph:

19 “(E) EXEMPTION FOR SPACEPORTS.—
20 Paragraph (1) shall not apply to any exempt fa-
21 cility bond issued as part of an issue described
22 in paragraph (1) of section 142(a) to provide a
23 spaceport in situations where—

24 “(i) the guarantee of the United
25 States (or an agency or instrumentality

1 thereof) is the result of payment of rent,
2 user fees, or other charges by the United
3 States (or any agency or instrumentality
4 thereof), and

5 “(ii) the payment of the rent, user
6 fees, or other charges is for, and condi-
7 tioned upon the use of the spaceport by the
8 United States (or any agency or instru-
9 mentality thereof).”.

10 (d) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to obligations issued after the date
12 of the enactment of this Act.

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