

112TH CONGRESS
1ST SESSION

S. 1989

To amend the Internal Revenue Code of 1986 to make permanent the minimum low-income housing tax credit rate for unsubsidized buildings and to provide a minimum 4 percent credit rate for existing buildings.

IN THE SENATE OF THE UNITED STATES

DECEMBER 14, 2011

Ms. CANTWELL (for herself, Ms. SNOWE, Mr. BINGAMAN, Mr. KERRY, Mr. NELSON of Florida, Mr. MENENDEZ, Mr. CARDIN, Mr. SANDERS, Mr. CRAPO, Mr. BROWN of Massachusetts, and Ms. COLLINS) 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 make permanent the minimum low-income housing tax credit rate for unsubsidized buildings and to provide a minimum 4 percent credit rate for existing buildings.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. EXTENSION AND MODIFICATION OF MINIMUM**
2 **LOW-INCOME HOUSING TAX CREDIT RATE**
3 **FOR CERTAIN BUILDINGS.**

4 (a) PERMANENT EXTENSION.—Paragraph (2) of sec-
5 tion 42(b) of the Internal Revenue Code of 1986 is amend-
6 ed—

7 (1) by striking “TEMPORARY MINIMUM CREDIT
8 RATE” in the heading and inserting “MINIMUM
9 CREDIT RATE”, and

10 (2) by striking “and before December 31,
11 2013” in subparagraph (A).

12 (b) MINIMUM 4 PERCENT CREDIT RATE FOR CER-
13 TAIN EXISTING BUILDINGS.—Subsection (b) of section 42
14 of the Internal Revenue Code of 1986 is amended—

15 (1) by redesignating paragraph (3) as para-
16 graph (4), and

17 (2) by inserting after paragraph (2) the fol-
18 lowing new paragraph:

19 “(3) MINIMUM CREDIT RATE FOR NON-FEDER-
20 ALLY SUBSIDIZED EXISTING BUILDINGS.—In the
21 case of any existing building—

22 “(A) which is placed in service by the tax-
23 payer after the date of the enactment of this
24 paragraph, and

25 “(B) which is not federally subsidized for
26 the taxable year,

1 the applicable percentage shall be not less than 4
2 percent.”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to buildings placed in service after
5 the date of the enactment of this Act.

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