

AMENDMENT NO. _____ Calendar No. _____

Purpose: To facilitate investment in the low-income housing tax credit program.

IN THE SENATE OF THE UNITED STATES—111th Cong., 1st Sess.

H. R. 1

Making supplemental appropriations for job preservation and creation, infrastructure investment, energy efficiency and science, assistance to the unemployed, and State and local fiscal stabilization, for the fiscal year ending September 30, 2009, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Ms. CANTWELL (for herself, Mr. KERRY, Ms. SNOWE, Mr. SCHUMER, Ms. STABENOW, Mr. BINGAMAN, Mr. ENSIGN, Mr. CARPER, Mr. HATCH, and Mr. WYDEN) to the amendment (No. _____) proposed by _____

Viz:

1 At the end of subtitle J of title I of division B, add
2 the following:

3 **SEC. ____ . ELECTION TO ACCELERATE THE LOW-INCOME**
4 **HOUSING TAX CREDIT.**

5 (a) IN GENERAL.—At the election of the taxpayer,
6 the credit determined under section 42 of the Internal

1 Revenue Code of 1986 for the taxpayer's first three tax-
2 able years beginning after December 31, 2008, in which
3 credits are allowable for any low-income housing project
4 with respect to initial investments made pursuant to a
5 binding agreement by such taxpayer after December 31,
6 2008, and before January 1, 2011, shall be 200 percent
7 of the amount which would (but for this subsection) be
8 so allowable.

9 (b) ELIGIBILITY FOR ELECTION.—The election under
10 subsection (a) shall take effect with respect to the first
11 taxable year referred to in such subsection only when all
12 rental requirements pursuant to section 42(g)(1) of the
13 Internal Revenue Code of 1986 have been met with respect
14 to the low-income housing project.

15 (c) REDUCTION IN AGGREGATE CREDIT TO REFLECT
16 ACCELERATED CREDIT.—The aggregate credit allowable
17 to any taxpayer under section 42 of the Internal Revenue
18 Code of 1986 with respect to any investment for taxable
19 years after the first three taxable years referred to in sub-
20 section (a) shall be reduced on a pro rata basis by the
21 amount of the increased credit allowable by reason of sub-
22 section (a) with respect to such first three taxable years.
23 The preceding sentence shall not be construed to affect
24 whether any taxable year is part of the credit, compliance,
25 or extended use periods under such section 42.

1 (d) ELECTION.—The election under subsection (a)
2 shall be made at the time and in the manner prescribed
3 by the Secretary of the Treasury or the Secretary's dele-
4 gate, and, once made, shall be irrevocable. In the case of
5 a partnership, such election shall be made by the partner-
6 ship.