

118TH CONGRESS
1ST SESSION

H. R. 3238

To amend the Internal Revenue Code of 1986 to reform the low-income housing credit, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2023

Mr. LAHOOD (for himself, Ms. DELBENE, Mr. WENSTRUP, Mr. BEYER, Ms. TENNEY, Mr. PANETTA, Mr. BUCHANAN, Mr. BLUMENAUER, Mr. KELLY of Pennsylvania, Mr. PASCARELL, Mr. SCHWEIKERT, Mr. DAVIS of Illinois, Mr. FERGUSON, Ms. SÁNCHEZ, Mr. SMUCKER, Mr. HIGGINS of New York, Mrs. MILLER of West Virginia, Ms. SEWELL, Mr. KUSTOFF, Ms. CHU, Mr. FITZPATRICK, Ms. MOORE of Wisconsin, Mr. MOORE of Utah, Mr. KILDEE, Ms. VAN DUYN, Mr. EVANS, Mr. FEENSTRA, Mr. SCHNEIDER, Mr. CAREY, Mr. CLEAVER, Mr. EMMER, Mrs. BEATTY, Mr. MCHENRY, Mr. TORRES of New York, Mr. ROSE, Ms. BLUNT ROCHESTER, Mr. FLEISCHMANN, Mr. MORELLE, Mr. BALDERSON, Ms. CRAIG, Mr. BERGMAN, Mr. PETERS, Mr. HUDSON, Mr. GOMEZ, Mr. MOOLENAAR, Mr. COHEN, Mr. LAWLER, Mr. KILMER, Mr. LAMALFA, Mrs. LEE of Nevada, Mr. STAUBER, Ms. PEREZ, Mr. MOLINARO, Mr. PHILLIPS, Mr. FINSTAD, Mr. KHANNA, Mr. GARBARINO, Ms. DEAN of Pennsylvania, Mr. JOYCE of Ohio, Ms. TITUS, Mrs. HARSHBARGER, Ms. MANNING, Mr. WITTMAN, Mr. QUIGLEY, Mrs. KIM of California, and Mr. LATURNER) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to reform the low-income housing credit, and for other purposes.

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. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Affordable Housing Credit Improvement Act of 2023”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REFORM OF STATE ALLOCATION FORMULAS

Sec. 101. Increases in State allocations.

TITLE II—REFORMS RELATING TO TENANT ELIGIBILITY

Sec. 201. Average income test applicability to exempt facility bonds.

Sec. 202. Codification of rules relating to increased tenant income.

Sec. 203. Modification of student occupancy rules.

Sec. 204. Tenant voucher payments taken into account as rent for certain purposes.

Sec. 205. Requirement that low-income housing credit-supported housing protect victims of domestic abuse.

Sec. 206. Clarification of general public use requirement relating to veterans, etc.

TITLE III—RULES RELATING TO CREDIT ELIGIBILITY AND DETERMINATION

Sec. 301. Reconstruction or replacement period after casualty loss.

Sec. 302. Modification of previous ownership rules; limitation on acquisition basis.

Sec. 303. Certain relocation costs taken into account as rehabilitation expenditures.

Sec. 304. Repeal of qualified census tract population cap.

Sec. 305. Determination of community revitalization plan to be made by housing credit agency.

Sec. 306. Prohibition of local approval and contribution requirements.

Sec. 307. Increase in credit for certain projects designated to serve extremely low-income households.

Sec. 308. Increase in credit for bond-financed projects designated by State agency.

Sec. 309. Elimination of basis reduction for low-income housing properties energy efficient commercial building deduction.

Sec. 310. Restriction of planned foreclosures.

Sec. 311. Increase of population cap for difficult development areas.

Sec. 312. Increased cost oversight and accountability.

Sec. 313. Tax-exempt bond financing requirement.

TITLE IV—REFORMS RELATING TO NATIVE AMERICAN ASSISTANCE

Sec. 401. Selection criteria under qualified allocation plans.

Sec. 402. Inclusion of Indian areas as difficult development areas for purposes of certain buildings.

TITLE V—REFORMS RELATING TO RURAL ASSISTANCE

Sec. 501. Inclusion of rural areas as difficult development areas.

Sec. 502. Uniform income eligibility for rural projects.

TITLE VI—EXEMPT FACILITY BONDS

Sec. 601. Revision and clarification of the treatment of refunding issues.

TITLE VII—AFFORDABLE HOUSING TAX CREDIT

Sec. 701. Affordable housing tax credit.

TITLE VIII—DATA AND TRANSPARENCY

Sec. 801. Sense of Congress.

1 **TITLE I—REFORM OF STATE**
 2 **ALLOCATION FORMULAS**

3 **SEC. 101. INCREASES IN STATE ALLOCATIONS.**

4 (a) IN GENERAL.—Clause (ii) of section 42(h)(3)(C)
 5 of the Internal Revenue Code is amended—

6 (1) in subclause (I), by striking “\$1.75” and
 7 inserting “the per capita amount”, and

8 (2) in subclause (II), by striking “\$2,000,000”
 9 and inserting “the minimum amount”.

10 (b) PER CAPITA AMOUNT; MINIMUM AMOUNT.—Sec-
 11 tion 42(h)(3) of the Internal Revenue Code of 1986 is
 12 amended by striking subparagraphs (H) and (I) and in-
 13 serting the following:

14 “(H) PER CAPITA AMOUNT.—For purposes
 15 of subparagraph (C)(ii)(I), the per capita
 16 amount shall be determined as follows:

1 “(i) CALENDAR YEAR 2023.—For cal-
2 endar year, 2023, the per capita amount is
3 \$3.90.

4 “(ii) CALENDAR YEAR 2024.—For cal-
5 endar year 2024, the per capita amount is
6 the product of—

7 “(I) 1.25, and

8 “(II) the dollar amount under
9 clause (i) increased by an amount
10 equal to—

11 “(aa) such dollar amount,
12 multiplied by

13 “(bb) the cost-of-living ad-
14 justment determined under sec-
15 tion 1(f)(3) for such calendar
16 year, determined by substituting
17 ‘calendar year 2022’ for ‘cal-
18 endar year 2016’ in subpara-
19 graph (A)(ii) thereof.

20 If the amount determined after appli-
21 cation of the preceding sentence is not
22 a multiple of \$5,000, such amount
23 shall be rounded to the next lowest
24 multiple of \$5,000.

1 “(iii) CALENDAR YEARS AFTER
2 2024.—In the case of any calendar year
3 after 2024, the per capita amount is the
4 dollar amount determined under clause (ii)
5 increased by an amount equal to—

6 “(I) such dollar amount, multi-
7 plied by

8 “(II) the cost-of-living adjust-
9 ment determined under section 1(f)(3)
10 for such calendar year, determined by
11 substituting ‘calendar year 2023’ for
12 ‘calendar year 2016’ in subparagraph
13 (A)(ii) thereof.

14 Any amount increased under the preceding
15 sentence which is not a multiple of 5 cents
16 shall be rounded to the next lowest mul-
17 tiple of 5 cents.

18 “(I) MINIMUM AMOUNT.—For purposes of
19 subparagraph (C)(ii)(II), the minimum amount
20 shall be determined as follows:

21 “(i) CALENDAR YEAR 2023.—For cal-
22 endar year, 2023, the minimum amount is
23 \$4,495,000.

1 “(ii) CALENDAR YEAR 2024.—For cal-
2 endar year 2024, the minimum amount is
3 the product of—

4 “(I) 1.25, and

5 “(II) the dollar amount under
6 clause (i) increased by an amount
7 equal to—

8 “(aa) such dollar amount,
9 multiplied by

10 “(bb) the cost-of-living ad-
11 justment determined under sec-
12 tion 1(f)(3) for such calendar
13 year, determined by substituting
14 ‘calendar year 2022’ for ‘cal-
15 endar year 2016’ in subpara-
16 graph (A)(ii) thereof.

17 If the amount determined after appli-
18 cation of the preceding sentence is not
19 a multiple of 5 cents, such amount
20 shall be rounded to the next lowest
21 multiple of 5 cents.

22 “(iii) CALENDAR YEARS AFTER
23 2024.—In the case of any calendar year
24 after 2024, the minimum amount is the

1 dollar amount determined under clause (ii)
2 increased by an amount equal to—

3 “(I) such dollar amount, multi-
4 plied by

5 “(II) the cost-of-living adjust-
6 ment determined under section 1(f)(3)
7 for such calendar year, determined by
8 substituting ‘calendar year 2023’ for
9 ‘calendar year 2016’ in subparagraph
10 (A)(ii) thereof.

11 Any amount increased under the preceding
12 sentence which is not a multiple of \$5,000
13 shall be rounded to the next lowest mul-
14 tiple of \$5,000.”.

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to calendar years beginning after
17 December 31, 2022.

18 **TITLE II—REFORMS RELATING** 19 **TO TENANT ELIGIBILITY**

20 **SEC. 201. AVERAGE INCOME TEST APPLICABILITY TO EX-** 21 **EMPT FACILITY BONDS.**

22 (a) IN GENERAL.—Paragraph (1) of section 142(d)
23 of the Internal Revenue Code of 1986 is amended—

24 (1) by striking “(A) or (B)” and inserting “(A),
25 (B), or (C)”, and

1 (2) by inserting after subparagraph (B) the fol-
2 lowing new subparagraph:

3 “(C) AVERAGE INCOME TEST.—A project
4 meets the requirements of this subparagraph if
5 it meets the minimum requirements of section
6 42(g)(1)(C).”.

7 (b) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to elections made under section
9 142(d)(1) of the Internal Revenue Code of 1986 after
10 March 23, 2018.

11 **SEC. 202. CODIFICATION OF RULES RELATING TO IN-**
12 **CREASED TENANT INCOME.**

13 (a) IN GENERAL.—Clause (i) of section 42(g)(2)(D)
14 of the Internal Revenue Code of 1986 is amended by strik-
15 ing “clauses (ii), (iii), and (iv)” and all that follows and
16 inserting “clauses (ii), (iii), (iv), and (vi), notwithstanding
17 an increase in the income of the occupants above the in-
18 come limitation applicable under paragraph (1)—

19 “(I) a low-income unit shall con-
20 tinue to be treated as a low-income
21 unit if the income of such occupants
22 initially was 60 percent or less of area
23 median gross income and such unit
24 continues to be rent-restricted, and

1 “(II) a unit to which, at the time
2 of initial occupancy by such occu-
3 pants, any Federal, State, or local
4 government income restriction ap-
5 plied, and which subsequently becomes
6 part of a building with respect to
7 which rehabilitation expenditures are
8 taken into account under subsection
9 (e), shall be treated as a low-income
10 unit if the income of such occupants
11 initially was 60 percent or less of area
12 median gross income and does not ex-
13 ceed 120 percent of area median gross
14 income as of the date of acquisition of
15 the property by the taxpayer.”.

16 (b) EXCEPTION.—Subparagraph (D) of section
17 42(g)(2) of the Internal Revenue Code of 1986, as amend-
18 ed by this Act, is further amended by adding at the end
19 the following new clause:

20 “(vi) EXCEPTION TO RULE RELATING
21 TO INCREASED TENANT INCOME.—In the
22 case of an occupant of a low-income unit
23 who initially qualified to occupy such unit
24 by reason of paragraph (1)(C) with an in-
25 come in excess of 60 percent of area me-

1 dian gross income but not in excess of 80
2 percent of area median gross income,
3 clause (i) shall be applied for substituting
4 ‘80 percent’ for ‘60 percent’ each place it
5 appears.”.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to taxable years beginning after
8 December 31, 2022.

9 **SEC. 203. MODIFICATION OF STUDENT OCCUPANCY RULES.**

10 (a) IN GENERAL.—Subparagraph (D) of section
11 42(i)(3) of the Internal Revenue Code of 1986 is amended
12 to read as follows:

13 “(D) RULES RELATING TO STUDENTS.—

14 “(i) IN GENERAL.—A unit occupied
15 solely by individuals who—

16 “(I) have not attained age 24,
17 and

18 “(II) are enrolled in a full-time
19 course of study at an institution of
20 higher education (as defined in section
21 3304(f)),

22 shall not be treated as a low-income unit.

23 “(ii) EXCEPTION FOR CERTAIN FED-
24 ERAL PROGRAMS.—In the case of a feder-
25 ally-assisted building (as defined in sub-

1 section (d)(6)(C)(i)), clause (i) shall not
2 apply to a unit all of the occupants of
3 which meet all applicable requirements
4 under the housing program described in
5 such subsection through which the building
6 is assisted, financed, or operated.

7 “(iii) OTHER EXCEPTIONS.—An indi-
8 vidual shall not be treated as described in
9 clause (i) if the individual meets the in-
10 come limitation applicable under subsection
11 (g)(1) to the project of which the building
12 is a part and—

13 “(I) is married,

14 “(II) is a person with disabilities
15 (as defined in section 3(b)(3)(E) of
16 the United States Housing Act of
17 1937),

18 “(III) is a veteran (as defined in
19 section 101(2) of title 38, United
20 States Code),

21 “(IV) has 1 or more qualifying
22 children (as defined in section
23 152(c)),

24 “(V) is or has been a victim or
25 threatened victim of domestic violence,

1 dating violence, sexual assault, or
2 stalking (as defined in section 40002
3 of the Violence Against Women Act of
4 1994),

5 “(VI) is or has been a victim of
6 any form of human trafficking, or

7 “(VII) is, or was prior to attain-
8 ing the age of majority—

9 “(aa) an emancipated minor
10 or in legal guardianship as deter-
11 mined by a court of competent
12 jurisdiction in the individual’s
13 State of legal residence,

14 “(bb) under the care and
15 placement responsibility of the
16 State agency responsible for ad-
17 ministering a plan under part B
18 or part E of title IV of the Social
19 Security Act, or

20 “(cc) an unaccompanied
21 youth (within the meaning of sec-
22 tion 725(6) of the McKinney-
23 Vento Homeless Assistance Act
24 (42 U.S.C. 11434a(6))) or a
25 homeless child or youth (within

1 the meaning of section 725(2) of
2 such Act (42 U.S.C.
3 11434a(2))).

4 For purposes of subclause (VI), an in-
5 dividual is or has been a victim of
6 human trafficking if such individual
7 was subjected to an act or practice de-
8 scribed in paragraph (11) or (12) of
9 section 103 of the Trafficking Victims
10 Protection Act of 2000.”.

11 (b) EFFECTIVE DATE.—The amendment made by
12 this section shall apply to taxable years beginning after
13 December 31, 2023.

14 **SEC. 204. TENANT VOUCHER PAYMENTS TAKEN INTO AC-**
15 **COUNT AS RENT FOR CERTAIN PURPOSES.**

16 (a) IN GENERAL.—Subparagraph (B) of section
17 42(g)(2) of the Internal Revenue Code of 1986 is amended
18 by adding at the end the following new sentence: “In the
19 case of a project with respect to which the taxpayer elects
20 the requirements of subparagraph (C) of paragraph (1),
21 or the portion of a project to which subsection (d)(5)(C)
22 applies, clause (i) shall not apply with respect to any ten-
23 ant-based assistance (as defined in section 8(f)(7) of the
24 United States Housing Act of 1937 (42 U.S.C.
25 1437f(f)(7))).”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to rent paid in taxable years begin-
3 ning after December 31, 2023.

4 **SEC. 205. REQUIREMENT THAT LOW-INCOME HOUSING**
5 **CREDIT-SUPPORTED HOUSING PROTECT VIC-**
6 **TIMS OF DOMESTIC ABUSE.**

7 (a) IN GENERAL.—Subparagraph (B) of section
8 42(h)(6) of the Internal Revenue Code of 1986 is amended
9 by striking “and” at the end of clause (v), by striking the
10 period at the end of clause (vi) and inserting “, and”, and
11 by adding at the end the following new clause:

12 “(vii) which—

13 “(I) prohibits the refusal to lease
14 to, or termination of a lease by, a per-
15 son solely on the basis of criminal ac-
16 tivity directly relating to domestic vio-
17 lence, dating violence, sexual assault,
18 or stalking that is engaged in by a
19 member of the household of the ten-
20 ant or any guest or other person
21 under the control of the tenant, if the
22 tenant or an affiliated individual of
23 the tenant is the victim or threatened
24 victim of such domestic violence, dat-

1 ing violence, sexual assault, or stalk-
2 ing, and

3 “(II) allows prospective, present,
4 or former occupants of the building
5 the right to enforce in any State court
6 the prohibition of subclause (I).”.

7 (b) BIFURCATION.—

8 (1) IN GENERAL.—Subparagraph (B) of section
9 42(h)(6) of the Internal Revenue Code of 1986, as
10 amended by subsection (a), is further amended by
11 adding at the end the following new flush sentence:

12 “For purposes of clause (vii)(I), rules similar to
13 the rules of section 41411(b)(3)(B) of the Vio-
14 lence Against Women Act of 1994 shall apply
15 with respect to the owner or manager of a
16 building.”.

17 (2) EFFECT OF BIFURCATION.—Paragraph (2)
18 of section 42(g) of such Code is amended by adding
19 at the end the following new subparagraph:

20 “(F) TREATMENT OF BIFURCATION IN
21 CASES OF DOMESTIC VIOLENCE.—In any case
22 in which—

23 “(i) an occupant is evicted or removed
24 from a low-income unit because such occu-
25 pant has engaged in criminal activity di-

1 rectly relating to domestic violence, dating
2 violence, sexual assault, or stalking against
3 an affiliated individual or other individual
4 on the basis of criminal activity directly re-
5 lating to domestic violence, dating violence,
6 sexual assault, or stalking, and

7 “(ii) the lease on such unit is bifur-
8 cated as provided in the last sentence of
9 subsection (h)(6)(B),

10 then the remaining occupants of such low-in-
11 come unit shall not be treated as a new tenant
12 for purposes of this section.”.

13 (c) CLARIFICATION OF GENERAL PUBLIC USE RE-
14 QUIREMENT.—Paragraph (9) of section 42(g) of the Inter-
15 nal Revenue Code of 1986 is amended by striking “or”
16 at the end of subparagraph (B), by striking the period
17 at the end of subparagraph (C) and inserting “, or”, and
18 by adding at the end the following new subparagraph:

19 “(D) who are victims or threatened victims
20 of criminal activity directly relating to domestic
21 violence, dating violence, sexual assault, or
22 stalking.”.

23 (d) EFFECTIVE DATES.—

24 (1) IN GENERAL.—Except as provided in para-
25 graph (2), the amendments made by this section

1 shall apply to agreements executed or modified on or
2 after the date that is 30 days after the date of the
3 enactment of this Act.

4 (2) PUBLIC USE REQUIREMENT.—The amend-
5 ments made by subsection (c) shall apply to build-
6 ings placed in service before, on, or after the date
7 of the enactment of this Act.

8 **SEC. 206. CLARIFICATION OF GENERAL PUBLIC USE RE-**
9 **QUIREMENT RELATING TO VETERANS, ETC.**

10 (a) IN GENERAL.—Paragraph (9) of section 42(g) of
11 the Internal Revenue Code of 1986, as amended by section
12 205, is further amended by adding at the end the following
13 flush language:

14 “Any veteran of the Armed Forces shall be treated
15 as a member of a specified group under a Federal
16 program for purposes of subparagraph (B).”.

17 (b) QUALIFIED RESIDENTIAL RENTAL PROJECTS.—
18 Paragraph (2) of section 142(d) of the Internal Revenue
19 Code of 1986 is amended by adding at the end the fol-
20 lowing new subparagraph:

21 “(F) CLARIFICATION OF GENERAL PUBLIC
22 USE REQUIREMENT.—A unit shall not fail to
23 meet the general public use requirement solely
24 because of occupancy restrictions or pref-
25 erences, if such restrictions or preferences meet

1 the general public use requirement of section
2 42.”.

3 (c) EFFECTIVE DATES.—

4 (1) IN GENERAL.—The amendment made by
5 subsection (a) shall apply to buildings placed in serv-
6 ice before, on, or after the date of the enactment of
7 this Act.

8 (2) QUALIFIED RESIDENTIAL RENTAL
9 PROJECTS.—The amendment made by subsection (b)
10 shall apply to bonds issued before, on, or after the
11 date of the enactment of this Act.

12 **TITLE III—RULES RELATING TO**
13 **CREDIT ELIGIBILITY AND DE-**
14 **TERMINATION**

15 **SEC. 301. RECONSTRUCTION OR REPLACEMENT PERIOD**
16 **AFTER CASUALTY LOSS.**

17 (a) NO RECAPTURE FOLLOWING CASUALTY LOSS.—

18 Subparagraph (E) of section 42(j)(4) of the Internal Rev-
19 enue Code of 1986 is amended to read as follows:

20 “(E) NO RECAPTURE BY REASON OF CAS-
21 UALTY LOSS.—

22 “(i) IN GENERAL.—The increase in
23 tax under this subsection shall not apply to
24 a reduction in qualified basis by reason of
25 a casualty loss to the extent such loss is

1 restored by reconstruction or replacement
2 within a reasonable period established by
3 the applicable housing credit agency, not to
4 exceed 25 months from the date on which
5 the qualified casualty loss arises.

6 “(ii) QUALIFIED CASUALTY LOSSES.—

7 In the case of a qualified casualty loss, the
8 period described in clause (i) may be ex-
9 tended, but not in excess of 12 months, if
10 the applicable housing credit agency deter-
11 mines the qualified casualty arose by rea-
12 son of an event which was not discrete to
13 the building and which made a reconstruc-
14 tion or replacement within 25 months im-
15 practical. In the event the applicable hous-
16 ing credit agency determines a period in
17 excess of 25 months is necessary for such
18 reconstruction or replacement, the compli-
19 ance period shall be increased by any such
20 additional time.

21 “(iii) APPLICATION.—The determina-

22 tion under paragraph (1) shall not be
23 made with respect to a property the basis
24 of which is affected by a qualified casualty
25 loss until the period described in clause (i)

1 (as modified by clause (ii), if applicable)
 2 with respect to such property has expired.

3 “(iv) QUALIFIED CASUALTY LOSS.—
 4 For purposes of this subparagraph, the
 5 term ‘qualified casualty loss’ means a cas-
 6 ualty loss that is the result of a Federally
 7 declared disaster (as defined in section
 8 165(i)(5)).”.

9 (b) QUALIFIED BASIS FOLLOWING CASUALTY
 10 LOSS.—Paragraph (1) of section 42(c) of the Internal
 11 Revenue Code of 1986 is amended by adding at the end
 12 the following new subparagraph:

13 “(F) QUALIFIED BASIS FOLLOWING CAS-
 14 UALTY LOSS.—If a casualty causes the qualified
 15 basis of a building in any year to be less than
 16 the qualified basis in the immediately preceding
 17 year then, in the year of such casualty and each
 18 succeeding year until such building or the units
 19 affected by the casualty are reconstructed or re-
 20 placed (but only through the last year of the pe-
 21 riod permitted for reconstruction or replace-
 22 ment under subsection (j)(4)(E))—

23 “(i) the qualified basis of such build-
 24 ing shall be equal to the qualified basis of
 25 such building as of the last day of the year

1 preceding the year in which such casualty
2 occurred,

3 “(ii) if such building is not recon-
4 structed or replaced by the expiration of
5 the applicable period for such reconstruc-
6 tion or replacement under subsection
7 (j)(4), then the recapture amount provided
8 for in subsection (j)(1) shall include the
9 amount of any credit claimed under this
10 section by reason of the application of
11 clause (i), and

12 “(iii) a building which was a qualified
13 low-income building as of the last day of
14 the year preceding the year in which such
15 casualty occurred shall not cease to be a
16 qualified low-income building solely be-
17 cause of such casualty.”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to casualties occurring after the
20 date which is 25 months before the date of the enactment
21 of this Act.

22 **SEC. 302. MODIFICATION OF PREVIOUS OWNERSHIP RULES;**
23 **LIMITATION ON ACQUISITION BASIS.**

24 (a) IN GENERAL.—Clause (ii) of section 42(d)(2)(B)
25 of the Internal Revenue Code of 1986 is amended by in-

1 serting “, or the taxpayer elects the application of sub-
2 paragraph (C)(ii)” after “service”.

3 (b) LIMITATION ON ACQUISITION BASIS.—Subpara-
4 graph (C) of section 42(d)(2) of the Internal Revenue
5 Code of 1986 is amended—

6 (1) by striking “For purposes of subparagraph
7 (A), the adjusted basis” and inserting “For pur-
8 poses of subparagraph (A)—

9 “(i) IN GENERAL.—The adjusted
10 basis”, and

11 (2) by adding at the end the following new
12 clauses:

13 “(ii) BUILDINGS IN SERVICE WITHIN
14 PREVIOUS 10 YEARS.—If the period be-
15 tween the date of acquisition of the build-
16 ing by the taxpayer and the date the build-
17 ing was last placed in service is less than
18 10 years, the taxpayer’s basis attributable
19 to the acquisition of the building which is
20 taken into account in determining the ad-
21 justed basis shall not exceed the sum of—

22 “(I) the lowest amount paid for
23 acquisition of the building by any per-
24 son during the 10 years preceding the
25 date of the acquisition of the building

1 by the taxpayer, adjusted as provided
2 in clause (iii), and

3 “(II) the value of any capital im-
4 provements made by the person who
5 sells the building to the taxpayer
6 which are reflected in such seller’s
7 basis.

8 “(iii) ADJUSTMENT.—With respect to
9 a basis determination made in any taxable
10 year, the amount described in clause (ii)(I)
11 shall be increased by an amount equal to—

12 “(I) such amount, multiplied by
13 “(II) a cost-of-living adjustment,
14 determined in the same manner as
15 under section 1(f)(3) for the calendar
16 year in which the taxable year begins
17 by taking into account the acquisition
18 year in lieu of calendar year 1992.

19 For purposes of the preceding sentence,
20 the acquisition year is the calendar year in
21 which the lowest amount referenced in
22 clause (ii)(I) was paid for the acquisition
23 of the building.”.

1 (c) CONFORMING AMENDMENTS.—Clause (i) of sec-
2 tion 42(d)(2)(D) of the Internal Revenue Code of 1986
3 is amended—

4 (1) by striking “FOR SUBPARAGRAPH (B)” in
5 the heading, and

6 (2) by striking “subparagraph (B)(ii)” in the
7 matter preceding subclause (I) and inserting “sub-
8 paragraph (B)(ii) or (C)(ii)”.

9 (d) MODIFICATION OF PLACED IN SERVICE RULE.—
10 Clause (iii) of section 42(d)(2)(B) of the Internal Revenue
11 Code of 1986 is amended to read as follows:

12 “(iii) the building was not owned by
13 the taxpayer or by any person related (as
14 of the date of acquisition by the taxpayer)
15 to the taxpayer at any time during the 5-
16 year period ending on the date of acqui-
17 sition by the taxpayer, and”.

18 (e) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to buildings placed in service after
20 December 31, 2022.

21 **SEC. 303. CERTAIN RELOCATION COSTS TAKEN INTO AC-**
22 **COUNT AS REHABILITATION EXPENDITURES.**

23 (a) IN GENERAL.—Paragraph (2) of section 42(e) of
24 the Internal Revenue Code of 1986 is amended by adding
25 at the end the following new subparagraph:

1 “(C) CERTAIN RELOCATION COSTS.—In
2 the case of a rehabilitation of a building to
3 which section 280B does not apply, costs relat-
4 ing to the relocation of occupants, including—
5 “(i) amounts paid to occupants,
6 “(ii) amounts paid to third parties for
7 services relating to such relocation, and
8 “(iii) amounts paid for temporary
9 housing for occupants,
10 shall be treated as chargeable to capital account
11 and taken into account as rehabilitation ex-
12 penditures.”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to expenditures paid or incurred
15 after December 31, 2022.

16 (c) NO INFERENCE.—Nothing in the amendment
17 made by this section shall be construed to create any infer-
18 ence with respect to the treatment of relocation costs paid
19 or incurred before December 31, 2022.

20 **SEC. 304. REPEAL OF QUALIFIED CENSUS TRACT POPU-**
21 **LATION CAP.**

22 (a) IN GENERAL.—Clause (ii) of section 42(d)(5)(B)
23 of the Internal Revenue Code of 1986 is amended—

24 (1) by striking subclauses (II) and (III), and

25 (2) by striking “QUALIFIED CENSUS TRACT.—

1 “(I) IN GENERAL.—The term”,
2 and inserting “QUALIFIED CENSUS TRACT.—The
3 term”.

4 (b) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to designations of qualified census
6 tracts under section 42(d)(5)(B)(ii) of the Internal Rev-
7 enue Code of 1986 after December 31, 2023.

8 **SEC. 305. DETERMINATION OF COMMUNITY REVITALIZA-**
9 **TION PLAN TO BE MADE BY HOUSING CREDIT**
10 **AGENCY.**

11 (a) IN GENERAL.—Subclause (III) of section
12 42(m)(1)(B)(ii) of the Internal Revenue Code of 1986 is
13 amended by inserting “, as determined by the housing
14 credit agency according to criteria established by such
15 agency,” after “(d)(5)(B)(ii) and”.

16 (b) CRITERIA.—Paragraph (1) of section 42(m) of
17 the Internal Revenue Code of 1986 is amended by adding
18 at the end the following new subparagraph:

19 “(E) CRITERIA FOR DETERMINATION RE-
20 LATING TO CONCERTED COMMUNITY REVITAL-
21 IZATION PLAN.—For purposes of subparagraph
22 (B)(ii)(III), the criteria which shall be estab-
23 lished by a housing credit agency for deter-
24 mining whether the development of a project
25 contributes to a concerted community develop-

1 ment plan shall take into account any factors
2 the agency deems appropriate, including the ex-
3 tent to which the proposed plan—

4 “(i) is geographically specific,

5 “(ii) outlines a clear plan for imple-
6 mentation and goals for outcomes,

7 “(iii) includes a strategy for applying
8 for or obtaining commitments of public or
9 private investment (or both) in nonhousing
10 infrastructure, amenities, or services, and

11 “(iv) demonstrates the need for com-
12 munity revitalization.”.

13 (c) **EFFECTIVE DATE.**—The amendments made by
14 this section shall apply to allocations of housing credit dol-
15 lar amounts made under qualified allocation plans (as de-
16 fined in section 42(m)(1)(B) of the Internal Revenue Code
17 of 1986) adopted after December 31, 2023.

18 **SEC. 306. PROHIBITION OF LOCAL APPROVAL AND CON-**
19 **TRIBUTION REQUIREMENTS.**

20 (a) **IN GENERAL.**—Paragraph (1) of section 42(m)
21 of the Internal Revenue Code of 1986, as amended by sec-
22 tion 305, is further amended—

23 (1) by striking clause (ii) of subparagraph (A)
24 and by redesignating clauses (iii) and (iv) thereof as
25 clauses (ii) and (iii), and

1 (2) by adding at the end the following new sub-
2 paragraph:

3 “(F) LOCAL APPROVAL OR CONTRIBUTION
4 NOT TAKEN INTO ACCOUNT.—The selection cri-
5 teria under a qualified allocation plan shall not
6 include consideration of—

7 “(i) any support or opposition with re-
8 spect to the project from local or elected
9 officials, or

10 “(ii) any local government contribu-
11 tion to the project, except to the extent
12 such contribution is taken into account as
13 part of a broader consideration of the
14 project’s ability to leverage outside funding
15 sources, and is not prioritized over any
16 other source of outside funding.”.

17 (b) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to allocations of housing credit dol-
19 lar amounts made under qualified allocation plans (as de-
20 fined in section 42(m)(1)(B) of the Internal Revenue Code
21 of 1986) adopted after December 31, 2023.

1 **SEC. 307. INCREASE IN CREDIT FOR CERTAIN PROJECTS**
2 **DESIGNATED TO SERVE EXTREMELY LOW-IN-**
3 **COME HOUSEHOLDS.**

4 (a) IN GENERAL.—Paragraph (5) of section 42(d) of
5 the Internal Revenue Code of 1986 is amended by adding
6 at the end the following new subparagraph:

7 “(C) INCREASE IN CREDIT FOR PROJECTS
8 DESIGNATED TO SERVE EXTREMELY LOW-IN-
9 COME HOUSEHOLDS.—In the case of any build-
10 ing—

11 “(i) 20 percent or more of the resi-
12 dential units (determined as if the imputed
13 income limitation applicable to such units
14 were 30 percent of area median gross in-
15 come) in which are designated by the tax-
16 payer for occupancy by households the ag-
17 gregate household income of which does
18 not exceed the greater of—

19 “(I) 30 percent of area median
20 gross income, or

21 “(II) 100 percent of an amount
22 equal to the Federal poverty line
23 (within the meaning of section
24 36B(d)(3)), and

25 “(ii) which is designated by the hous-
26 ing credit agency as requiring the increase

1 in credit under this subparagraph in order
2 for such building to be financially feasible
3 as part of a qualified low-income housing
4 project,
5 subparagraph (B) shall not apply to the portion
6 of such building which is comprised of such
7 units (determined in a manner similar to the
8 unit fraction under subsection (c)(1)(C)), and
9 the eligible basis of such portion of the building
10 shall be 150 percent of such basis determined
11 without regard to this subparagraph.”.

12 (b) **EFFECTIVE DATE.**—The amendment made by
13 this section shall apply to buildings which receive alloca-
14 tions of housing credit dollar amount after the date of en-
15 actment of this Act, or in the case of buildings that are
16 described in section 42(h)(4)(B) of the Internal Revenue
17 Code of 1986, for obligations that are part of an issue
18 the issue date of which is after December 31, 2023.

19 **SEC. 308. INCREASE IN CREDIT FOR BOND-FINANCED**
20 **PROJECTS DESIGNATED BY STATE AGENCY.**

21 (a) **IN GENERAL.**—Clause (v) of section 42(d)(5)(B)
22 of the Internal Revenue Code of 1986 is amended by strik-
23 ing the second sentence.

1 (b) TECHNICAL AMENDMENT.—Clause (v) of section
 2 42(d)(5)(B) of the Internal Revenue Code of 1986, as
 3 amended by subsection (a), is further amended—

4 (1) by striking “STATE” in the heading, and

5 (2) by striking “State housing credit agency”
 6 and inserting “housing credit agency”.

7 (c) EFFECTIVE DATE.—The amendments made by
 8 this section shall apply to buildings that are described in
 9 section 42(h)(4)(B) of the Internal Revenue Code of 1986,
 10 taking into account only obligations that are part of an
 11 issue the issue date of which is after December 31, 2023.

12 **SEC. 309. ELIMINATION OF BASIS REDUCTION FOR LOW-IN-**
 13 **COME HOUSING PROPERTIES ENERGY EFFI-**
 14 **CIENT COMMERCIAL BUILDING DEDUCTION.**

15 (a) ENERGY EFFICIENT COMMERCIAL BUILDINGS
 16 DEDUCTION.—Subsection (e) of section 179D of the In-
 17 ternal Revenue Code of 1986 is amended—

18 (1) by striking “REDUCTION.—For purposes”
 19 and inserting “REDUCTION.—

20 “(1) IN GENERAL.—For purposes”, and

21 (2) by adding at the end the following new
 22 paragraph:

23 “(2) EXCEPTION FOR AFFORDABLE HOUSING
 24 PROPERTIES.—Paragraph (1) shall not apply for

1 purposes of determining eligible basis under section
2 42.”.

3 (b) **EFFECTIVE DATE.**—The amendments made by
4 this section shall apply to buildings which receive alloca-
5 tions of housing credit dollar amount after the date of the
6 enactment of this Act and to buildings that are described
7 in section 42(h)(4)(B) of the Internal Revenue Code of
8 1986 taking into account only obligations that are part
9 of an issue the issue date of which is after December 31,
10 2023.

11 **SEC. 310. RESTRICTION OF PLANNED FORECLOSURES.**

12 (a) **IN GENERAL.**—Subclause (I) of section
13 42(h)(6)(E)(i) of the Internal Revenue Code of 1986 is
14 amended to read as follows:

15 “(I) on the 61st day after the
16 taxpayer (or a successor in interest)
17 provides notice to the Secretary and
18 the housing credit agency that the
19 building has been acquired by fore-
20 closure (or instrument in lieu of fore-
21 closure) and that the taxpayer intends
22 the termination of such period, unless,
23 before such date, the Secretary or the
24 housing credit agency determines that
25 such acquisition is part of an arrange-

1 ment with the taxpayer a purpose of
2 which is to terminate such period,
3 or”.

4 (b) CONFORMING AMENDMENT.—The second sen-
5 tence of clause (i) of section 42(h)(6)(E) of the Internal
6 Revenue Code of 1986 is amended by striking “Subclause
7 (II)” and inserting “Subclauses (I) and (II)”.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to acquisitions by foreclosure (or
10 instrument in lieu of foreclosure) after December 31,
11 2022.

12 **SEC. 311. INCREASE OF POPULATION CAP FOR DIFFICULT**
13 **DEVELOPMENT AREAS.**

14 (a) IN GENERAL.—Subclause (II) of section
15 42(d)(5)(B)(iii) of the Internal Revenue Code of 1986 is
16 amended by striking “20 percent” and inserting “30 per-
17 cent”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply to designations made under section
20 42(d)(5)(B)(iii) of the Internal Revenue Code of 1986
21 after December 31, 2023.

22 **SEC. 312. INCREASED COST OVERSIGHT AND ACCOUNT-**
23 **ABILITY.**

24 (a) IN GENERAL.—Subparagraph (C) of section
25 42(m)(1) of the Internal Revenue Code of 1986 is amend-

1 ed by striking “and” at the end of clause (ix), by striking
2 the period at the end of clause (x) and inserting “, and”,
3 and by adding at the end the following new clause:

4 “(xi) the reasonableness of the devel-
5 opment costs of the project.”.

6 (b) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to allocations of credits under sec-
8 tion 42 of the Internal Revenue Code of 1986 made after
9 December 31, 2023.

10 **SEC. 313. TAX-EXEMPT BOND FINANCING REQUIREMENT.**

11 (a) IN GENERAL.—Subparagraph (B) of section
12 42(h)(4) of the Internal Revenue Code of 1986 is amended
13 by adding at the end the following new sentence: “In the
14 case of buildings financed by an obligation first taken into
15 account under section 146 in calendar years beginning
16 after the date of the enactment of the Affordable Housing
17 Credit Improvement Act of 2023, the preceding sentence
18 shall be applied by substituting ‘25 percent’ for ‘50 per-
19 cent’.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 this section shall apply to any building some portion of
22 which, or of the land on which the building is located, is
23 financed by an obligation which is described in section
24 42(h)(4)(A) of the Internal Revenue Code of 1986 and

1 which is part of an issue the issue date of which is after
2 December 31, 2023.

3 **TITLE IV—REFORMS RELATING**
4 **TO NATIVE AMERICAN AS-**
5 **SISTANCE**

6 **SEC. 401. SELECTION CRITERIA UNDER QUALIFIED ALLO-**
7 **CATION PLANS.**

8 (a) IN GENERAL.—Subparagraph (C) of section
9 42(m)(1) of the Internal Revenue Code of 1986, as
10 amended by section 312, is further amended by striking
11 “and” at the end of clause (x), by striking the period at
12 the end of clause (xi) and inserting “, and”, and by adding
13 at the end the following new clause:

14 “(xii) the affordable housing needs of
15 individuals in the State who are—

16 “(I) enrolled members of a tribe
17 with respect to an Indian tribal gov-
18 ernment (including any agencies or in-
19 strumentalities of an Indian tribal
20 government and any Alaska Native re-
21 gional or village corporation, as de-
22 fined in, or established pursuant to,
23 the Alaska Native Claims Settlement
24 Act (43 U.S.C. 1601 et seq.), or

1 “(II) described in section 801(9)
2 of the Native American Housing As-
3 sistance and Self-Determination Act
4 of 1996 (25 U.S.C. 4221(9)).”.

5 (b) **EFFECTIVE DATE.**—The amendments made by
6 this section shall apply to allocations of credits under sec-
7 tion 42 of the Internal Revenue Code of 1986 made after
8 December 31, 2023.

9 **SEC. 402. INCLUSION OF INDIAN AREAS AS DIFFICULT DE-**
10 **VELOPMENT AREAS FOR PURPOSES OF CER-**
11 **TAIN BUILDINGS.**

12 (a) **IN GENERAL.**—Subclause (I) of section
13 42(d)(5)(B)(iii) of the Internal Revenue Code of 1986 is
14 amended by inserting before the period the following: “,
15 and any Indian area”.

16 (b) **INDIAN AREA.**—Clause (iii) of section
17 42(d)(5)(B) of the Internal Revenue Code of 1986 is
18 amended by redesignating subclause (II) as subclause
19 (III) and by inserting after subclause (I) the following new
20 subclause:

21 “(II) **INDIAN AREA.**—For pur-
22 poses of subclause (I), the term ‘In-
23 dian area’ means any Indian area (as
24 defined in section 4(11) of the Native
25 American Housing Assistance and

1 Self Determination Act of 1996 (25
2 U.S.C. 4103(11))) and any housing
3 area (as defined in section 801(5) of
4 such Act (25 U.S.C. 4221(5))).”.

5 (c) ELIGIBLE BUILDINGS.—Clause (iii) of section
6 42(d)(5)(B) of the Internal Revenue Code of 1986, as
7 amended by subsection (b), is further amended by adding
8 at the end the following new subclause:

9 “(IV) SPECIAL RULE FOR BUILD-
10 INGS IN INDIAN AREAS.—In the case
11 of an area which is a difficult develop-
12 ment area solely because it is an In-
13 dian area, a building shall not be
14 treated as located in such area unless
15 such building is assisted or financed
16 under the Native American Housing
17 Assistance and Self Determination
18 Act of 1996 (25 U.S.C. 4101 et seq.)
19 or the project sponsor is an Indian
20 tribe (as defined in section
21 45A(c)(6)), a tribally designated hous-
22 ing entity (as defined in section 4(22)
23 of such Act (25 U.S.C. 4103(22))), or
24 wholly owned or controlled by such an

1 Indian tribe or tribally designated
2 housing entity.”.

3 (d) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to buildings placed in service after
5 December 31, 2023.

6 **TITLE V—REFORMS RELATING**
7 **TO RURAL ASSISTANCE**

8 **SEC. 501. INCLUSION OF RURAL AREAS AS DIFFICULT DE-**
9 **VELOPMENT AREAS.**

10 (a) IN GENERAL.—Subclause (I) of section
11 42(d)(5)(B)(iii) of the Internal Revenue Code of 1986, as
12 amended by section 402, is further amended by inserting
13 “, any rural area” after “median gross income”.

14 (b) RURAL AREA.—Clause (iii) of section
15 42(d)(5)(B) of the Internal Revenue Code of 1986, as
16 amended by section 402, is further amended by redesignig-
17 nating subclause (III) as subclause (IV) and by inserting
18 after subclause (II) the following new subclause:

19 “(III) RURAL AREA.—For pur-
20 poses of subclause (I), the term ‘rural
21 area’ means any non-metropolitan
22 area, or any rural area as defined by
23 section 520 of the Housing Act of
24 1949, which is identified by the quali-

1 fied allocation plan under subsection
2 (m)(1)(B).”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to buildings placed in service after
5 December 31, 2023.

6 **SEC. 502. UNIFORM INCOME ELIGIBILITY FOR RURAL**
7 **PROJECTS.**

8 (a) IN GENERAL.—Paragraph (8) of section 42(i) of
9 the Internal Revenue Code of 1986 is amended by striking
10 the second sentence.

11 (b) EFFECTIVE DATE.—The amendment made by
12 this section shall apply to taxable years beginning after
13 December 31, 2022.

14 **TITLE VI—EXEMPT FACILITY**
15 **BONDS**

16 **SEC. 601. REVISION AND CLARIFICATION OF THE TREAT-**
17 **MENT OF REFUNDING ISSUES.**

18 (a) IN GENERAL.—Subparagraph (A) of section
19 146(i)(6) of the Internal Revenue Code of 1986 is amend-
20 ed to read as follows:

21 “(A) IN GENERAL.—During the 12-month
22 period beginning on the date of a repayment of
23 a loan financed by an issue 95 percent or more
24 of the net proceeds of which are used to provide
25 projects described in section 142(d), if such re-

1 payment is used to provide a new loan for any
2 project described in section 142(a)(7) or for
3 any purpose described in subsection (a)(2)(A)
4 or (b) of section 143, any bond which is issued
5 to refinance such issue shall be treated as a re-
6 funding issue. Any issue treated as a refunding
7 issue by reason of the preceding sentence shall
8 be so treated only to the extent the principal
9 amount of such refunding issue does not exceed
10 the principal amount of the bonds refunded.”.

11 (b) REMOVAL OF ONE-REFUNDING LIMIT.—Sub-
12 paragraph (B) of section 146(i)(6) of the Internal Rev-
13 enue Code of 1986 is amended—

14 (1) by striking “4 years” in clause (i) and in-
15 sserting “10 years”,

16 (2) by striking “was issued” in clause (ii) and
17 inserting “is issued”,

18 (3) by redesignating clauses (i) (as so amend-
19 ed), (ii) (as so amended), and (iii) as subclauses (I),
20 (II), and (III), respectively, and by moving such sub-
21 clauses 2 ems to the right,

22 (4) by striking “LIMITATIONS.—Subparagraph
23 (A) shall apply to only one refunding of the original
24 issue and” and inserting “LIMITATIONS.—

1 “(i) IN GENERAL.—Subparagraph (A)
2 shall apply to a bond”, and

3 (5) by adding at the end the following new
4 clause:

5 “(ii) SOURCE OF LOAN REPAY-
6 MENT.—Subparagraph (A) shall not apply
7 to any repayment of a loan which is—

8 “(I) made by a repayment of an-
9 other loan, or

10 “(II) financed by an issue treated
11 as a refunding issue under subpara-
12 graph (A).”.

13 (c) CONFORMING AMENDMENT.—The heading of
14 paragraph (6) of section 146(i) of the Internal Revenue
15 Code of 1986 is amended by striking “RESIDENTIAL
16 RENTAL PROJECT BONDS AS REFUNDING BONDS IRRE-
17 SPECTIVE OF OBLIGOR” and inserting “BONDS AS RE-
18 FUNDING BONDS”.

19 (d) EFFECTIVE DATES.—

20 (1) IN GENERAL.—The amendments made by
21 subsections (a) and (c) shall apply to refunding
22 issues described in section 146(i)(6)(A) of the Inter-
23 nal Revenue Code of 1986 issued on or after the
24 date of the enactment of this Act.

1 (2) REMOVAL OF ONE-REFUNDING LIMIT.—The
2 amendments made by subsection (b) shall apply to
3 repayments of loans received after July 30, 2008.

4 **TITLE VII—AFFORDABLE**
5 **HOUSING TAX CREDIT**

6 **SEC. 701. AFFORDABLE HOUSING TAX CREDIT.**

7 (a) IN GENERAL.—The heading of section 42 of the
8 Internal Revenue Code of 1986 is amended by striking
9 “**LOW-INCOME**” and inserting “**AFFORDABLE**”.

10 (b) CONFORMING AMENDMENTS.—

11 (1) Subsection (a) of section 42 of the Internal
12 Revenue Code of 1986 is amended by striking “low-
13 income” and inserting “affordable”.

14 (2) Paragraph (5) of section 38(b) of such Code
15 is amended by striking “low-income” and inserting
16 “affordable”.

17 (3) The heading of subparagraph (D) of section
18 469(i)(3) of such Code is amended by striking
19 “LOW-INCOME” and inserting “AFFORDABLE”.

20 (4) The heading of subparagraph (B) of section
21 469(i)(6) of such Code is amended by striking
22 “LOW-INCOME” and inserting “AFFORDABLE”.

23 (5) Paragraph (7) of section 772(a) of such
24 Code is amended by striking “low-income” and in-
25 serting “affordable”.

1 (6) Paragraph (5) of section 772(d) of such
2 Code is amended by striking “low-income” and in-
3 serting “affordable”.

4 (c) CLERICAL AMENDMENT.—The item relating to
5 section 42 in the table of sections for subpart D of part
6 IV of subchapter A of chapter 1 of the Internal Revenue
7 Code of 1986 is amended to read as follows:

“Sec. 42. Affordable housing credit.”.

8 **TITLE VIII—DATA AND**
9 **TRANSPARENCY**

10 **SEC. 801. SENSE OF CONGRESS.**

11 It is the sense of Congress that in addition to expand-
12 ing and strengthening the affordable housing credit
13 through the provisions in the Affordable Housing Credit
14 Improvement Act of 2023, subsequent steps should also
15 be taken to share data and identify other ways to increase
16 the transparency of the program, and the House of Rep-
17 resentatives and the Senate should work together with
18 Federal agencies to identify data sources that can be
19 shared.

○