

112TH CONGRESS
2D SESSION

S. 3243

To amend the Internal Revenue Code of 1986 to increase the amount of the low-income housing credit that may be allocated in States damaged in 2011 by Hurricane Irene or Tropical Storm Lee.

IN THE SENATE OF THE UNITED STATES

MAY 24, 2012

Mrs. GILLIBRAND (for herself, Mr. LEAHY, and Mr. SANDERS) 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 increase the amount of the low-income housing credit that may be allocated in States damaged in 2011 by Hurricane Irene or Tropical Storm Lee.

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. SHORT TITLE.**

4 This Act may be cited as the “Irene and Lee Tax
5 Relief Storm Recovery Act”.

1 **SEC. 2. ADDITIONAL LOW-INCOME HOUSING CREDIT MAY**
 2 **BE ALLOCATED IN STATES DAMAGED IN 2011**
 3 **BY HURRICANE IRENE OR TROPICAL STORM**
 4 **LEE.**

5 (a) IN GENERAL.—Paragraph (3) of section 42(h) of
 6 the Internal Revenue Code of 1986 (relating to limitation
 7 on aggregate credit allowable with respect to projects lo-
 8 cated in a State) is amended by adding at the end the
 9 following new subparagraph:

10 “(J) INCREASE IN STATE HOUSING CREDIT
 11 FOR STATES DAMAGED IN 2011 BY HURRICANE
 12 IRENE OR TROPICAL STORM LEE.—

13 “(i) IN GENERAL.—In the case of cal-
 14 endar years 2012, 2013, and 2014, the
 15 State housing credit ceiling of each State
 16 any portion of which includes any portion
 17 of the Irene-Lee disaster area shall be in-
 18 creased by the lesser of—

19 “(I) the aggregate housing credit
 20 dollar amount allocated by the State
 21 housing credit agency of such State
 22 for such calendar year to buildings lo-
 23 cated in such disaster area, or

24 “(II) the applicable limitation,
 25 reduced by the aggregate increase

1 under this clause for all prior calendar
2 years.

3 “(ii) APPLICABLE LIMITATION.—For
4 purposes of clause (i), the applicable limi-
5 tation is the lesser of—

6 “(I) \$2.15 multiplied by the pop-
7 ulation of the area described in clause
8 (vii)(I), or

9 “(II) 50 percent of the State
10 housing credit ceiling (determined
11 without regard to this subparagraph)
12 for 2012.

13 “(iii) ALLOCATIONS TREATED AS
14 MADE FIRST FROM ADDITIONAL ALLOCA-
15 TION AMOUNT FOR PURPOSES OF DETER-
16 MINING CARRYOVER.—For purposes of de-
17 termining the unused State housing credit
18 ceiling under subparagraph (C) for any
19 calendar year, any increase in the State
20 housing credit ceiling under clause (i) shall
21 be treated as an amount described in
22 clause (ii) of such subparagraph.

23 “(iv) DIFFICULT DEVELOPMENT
24 AREA.—

1 “(I) IN GENERAL.—In the case
2 of property placed in service during
3 2012, 2013, or 2014, the Irene-Lee
4 disaster area shall be treated as a dif-
5 ficult development area designated
6 under subclause (I) of subsection
7 (d)(5)(B)(iii), and shall not be taken
8 into account for purposes of applying
9 the limitation under subclause (II) of
10 such subsection.

11 “(II) APPLICATION OF
12 CLAUSE.—Clause (i) shall apply only
13 to—

14 “(aa) housing credit dollar
15 amounts allocated during 2012,
16 2013, or 2014, and

17 “(bb) to the extent that
18 paragraph (1) does not apply to
19 any building by reason of para-
20 graph (4), only with respect to
21 bonds issued after December 31,
22 2011.

23 “(v) SPECIAL RULE FOR APPLYING IN-
24 COME TESTS.—In the case of property
25 placed in service after 2011 and before

1 2019 in a nonmetropolitan area (as de-
2 fined in subsection (d)(5)(B)(iv)(IV)) with-
3 in the Irene-Lee disaster area, this section
4 shall be applied by substituting ‘national
5 nonmetropolitan median gross income (de-
6 termined under rules similar to the rules of
7 section 142(d)(2)(B))’ for ‘area median
8 gross income’ in subparagraphs (A) and
9 (B) of subsection (g)(1).

10 “(vi) TIME FOR MAKING LOW-INCOME
11 HOUSING CREDIT ALLOCATIONS.—Para-
12 graph (1)(B) shall not apply to an alloca-
13 tion of housing credit dollar amount to a
14 building located in the Irene-Lee disaster
15 area if such allocation is made in 2012,
16 2013, or 2014, and such building is placed
17 in service before January 1, 2018.

18 “(vii) IRENE-LEE DISASTER AREA.—
19 For purposes of this subparagraph, the
20 term ‘Irene-Lee disaster area’ means—

21 “(I) each county included in the
22 geographical area covered by a quali-
23 fying natural disaster declaration, and

24 “(II) each county contiguous to a
25 county described in subclause (I).

1 “(viii) QUALIFYING NATURAL DIS-
2 ASTER DECLARATION.—For purposes of
3 clause (vii), the term ‘qualifying natural
4 disaster declaration’ means—

5 “(I) a natural disaster declared
6 by the Secretary of Agriculture in
7 2011 due to damaging weather and
8 other conditions relating to Hurricane
9 Irene or Tropical Storm Lee under
10 section 321(a) of the Consolidated
11 Farm and Rural Development Act (7
12 U.S.C. 1961(a)), or

13 “(II) a major disaster or emer-
14 gency designated by the President in
15 2011 due to damaging weather and
16 other conditions relating to Hurricane
17 Irene or Tropical Storm Lee under
18 the Robert T. Stafford Disaster Relief
19 and Emergency Assistance Act (42
20 U.S.C. 5121 et seq.).”.

21 (b) EFFECTIVE DATE.—The amendment made by
22 this section shall take effect on the date of the enactment
23 of this Act.

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