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(Original Signature of Member)

115TH CONGRESS
2D SESSION

H. R.

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

IN THE HOUSE OF REPRESENTATIVES

Mr. CLYBURN introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to provide an increase in 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Restoring Tax Credits
5 for Affordable Housing Act”.

6 **SEC. 2. INCREASE IN LOW-INCOME HOUSING CREDIT.**

7 (a) INCREASE OF STATE HOUSING CREDIT CEIL-
8 ING.—

1 (1) IN GENERAL.—Section 42(h)(3)(C)(ii) of
2 the Internal Revenue Code of 1986 is amended—

3 (A) by striking “\$1.75” in subclause (I)
4 and inserting “\$2.90”, and

5 (B) by striking “\$2,000,000” in subclause
6 (II) and inserting “\$3,365,000”.

7 (2) INFLATION ADJUSTMENT.—Section
8 42(h)(3)(H) of such Code is amended—

9 (A) in clause (i)—

10 (i) by striking “2002, the \$2,000,000
11 and \$1.75 amounts” in the matter pre-
12 ceding subclause (I) and inserting “2019,
13 the \$3,365,000 and \$2.90 amounts”, and

14 (ii) by striking “2001” in subclause
15 (II) and inserting “2018”, and

16 (B) in clause (ii)—

17 (i) by striking “\$2,000,000” in sub-
18 clause (I) and inserting “\$3,365,000”, and

19 (ii) by striking “\$1.75” in subclause
20 (II) and inserting “\$2.90”.

21 (3) CONFORMING AMENDMENT.—Section
22 42(h)(3) of such Code is amended by striking sub-
23 paragraph (I).

24 (b) INCREASE IN CREDIT PERCENTAGE.—

1 (1) MODIFICATION OF DISCOUNT RATE.—Sec-
2 tion 42(b)(1)(C)(ii) of such Code is amended by
3 striking “72 percent of” and inserting “the sum of
4 1.5 percentage points plus”.

5 (2) MODIFICATION OF METHOD OF DIS-
6 COUNTING.—Section 42(b)(1)(C)(i) of such Code is
7 amended to read as follows:

8 “(i) assuming the 10-year period re-
9 ferred to in subparagraph (B) commences
10 no less than 2 years after a housing credit
11 allocation is made under subsection (h),”.

12 (3) ONE-TIME ADJUSTMENT.—Section 42(b)(1)
13 of such Code is amended by adding at the end the
14 following new subparagraph:

15 “(D) ONE-TIME ADJUSTMENT.—After ap-
16 plying subparagraphs (A), (B), and (C), the ap-
17 plicable percentage shall be increased by 16
18 percent.”.

19 (c) EFFECTIVE DATES.—

20 (1) INCREASE OF STATE HOUSING CREDIT
21 CEILING.—The amendments made by subsection (a)
22 shall apply to calendar years after 2018.

23 (2) INCREASE IN CREDIT PERCENTAGE.—The
24 amendments made by subsection (b) shall apply to

- 1 buildings with respect to which housing credit dollar
- 2 amounts are allocated after December 31, 2018.