

116TH CONGRESS 1ST SESSION H.R. 3479

To amend the Internal Revenue Code of 1986 to repeal the qualified contract exception to the extended low-income housing commitment rules for purposes of the low-income housing credit, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

June 25, 2019

Mr. Neguse (for himself, Mr. Beyer, and Mrs. Walorski) 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 repeal the qualified contract exception to the extended lowincome housing commitment rules for purposes of 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 "Save Affordable Hous-
 - 5 ing Act of 2019".
 - 6 SEC. 2. REPEAL OF QUALIFIED CONTRACT OPTION.
 - 7 (a) Termination of Option for Certain Build-
 - 8 INGS.—

1	(1) In general.—Subclause (II) of section
2	42(h)(6)(E)(i) of the Internal Revenue Code of 1986
3	is amended by inserting "in the case of a building
4	described in clause (iii)," before "on the last day".
5	(2) Buildings described.—Subparagraph
6	(E) of section 42(h)(6) of such Code is amended by
7	adding at the end the following new clause:
8	"(iii) Buildings described.—A
9	building described in this clause is a build-
10	ing—
11	"(I) which received its allocation
12	of housing credit dollar amount before
13	January 1, 2019, or
14	"(II) in the case of a building
15	any portion of which is financed as
16	described in paragraph (4), which re-
17	ceived before January 1, 2019, a de-
18	termination from the issuer of the
19	tax-exempt bonds or the housing cred-
20	it agency that the building is eligible
21	to receive an allocation of housing
22	credit dollar amount under the rules
23	of paragraphs (1) and (2) of sub-
24	section (m).".

- 1 (b) RULES RELATING TO EXISTING PROJECTS.—
 2 Subparagraph (F) of section 42(h)(6) of the Internal Rev-
- 3 enue Code of 1986 is amended by striking "the nonlow-
- 4 income portion" and all that follows and inserting "the
- 5 nonlow-income portion and the low-income portion of the
- 6 building for fair market value (determined by the housing
- 7 credit agency by taking into account the rent restrictions
- 8 required for the low-income portion of the building to con-
- 9 tinue to meet the standards of paragraphs (1) and (2) of
- 10 subsection (g)). The Secretary shall prescribe such regula-
- 11 tions as may be necessary or appropriate to carry out this
- 12 paragraph.".
- 13 (c) Conforming Amendments.—
- 14 (1) Paragraph (6) of section 42(h) of the Inter-
- 15 nal Revenue Code of 1986 is amended by striking
- subparagraph (G) and by redesignating subpara-
- graphs (H), (I), (J), and (K) as subparagraphs (G),
- 18 (H), (I), and (J), respectively.
- 19 (2) Subclause (II) of section 42(h)(6)(E)(i) of
- such Code, as amended by subsection (a), is further
- amended by striking "subparagraph (I)" and insert-
- ing "subparagraph (H)".
- 23 (d) Technical Amendment.—Subparagraph (I) of
- 24 section 42(h)(6) of the Internal Revenue Code of 1986,

- 1 as redesignated by subsection (c), is amended by striking
- 2 "agreement" and inserting "commitment".
- 3 (e) Effective Date.—The amendments made by
- 4 this section shall apply to buildings with respect to which
- 5 a written request described in section 42(h)(6)(H) of the
- 6 Internal Revenue Code of 1986 is submitted after the date
- 7 of the enactment of this Act.

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