

106TH CONGRESS  
1ST SESSION

# S. 1038

To amend the Internal Revenue Code of 1986 to exempt small issue bonds for agriculture from the State volume cap.

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IN THE SENATE OF THE UNITED STATES

MAY 13, 1999

Mr. GRASSLEY (for himself, Mr. KERREY, Mr. CONRAD, and Mr. DASCHLE) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to exempt small issue bonds for agriculture from the State volume cap.

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 “Agricultural Bond En-  
5 hancement Act”.

6 **SEC. 2. EXEMPTION OF AGRICULTURAL BONDS FROM**  
7 **STATE VOLUME CAP.**

8 (a) IN GENERAL.—Section 146(g) of the Internal  
9 Revenue Code of 1986 (relating to exception for certain

1 bonds) is amended by striking “and” at the end of para-  
2 graph (3), by striking the period at the end of paragraph  
3 (4) and inserting “, and”, and by inserting after para-  
4 graph (4) the following:

5           “(5) any qualified small issue bond described in  
6           section 144(a)(12)(B)(ii).”.

7           (b) EFFECTIVE DATE.—The amendments made by  
8 this section shall apply to bonds issued after the date of  
9 enactment of this Act.

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