

106TH CONGRESS
1ST SESSION

S. 1239

To amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules.

IN THE SENATE OF THE UNITED STATES

JUNE 17, 1999

Mr. GRAHAM (for himself, Mr. MACK, Mr. BINGAMAN, Mr. INOUE, Mr. INHOFE, Mr. BURNS, Mr. BAUCUS, Mr. CRAPO, Mr. CRAIG, and Mrs. FEINSTEIN) 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 treat spaceports like airports under the exempt facility bond rules.

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 “Spaceport Investment
5 Act”.

1 **SEC. 2. SPACEPORTS TREATED LIKE AIRPORTS UNDER EX-**
2 **EMPT FACILITY BOND RULES.**

3 (a) IN GENERAL.—Paragraph (1) of section 142(a)
4 of the Internal Revenue Code of 1986 (relating to exempt
5 facility bond) is amended to read as follows:

6 “(1) airports and spaceports,”.

7 (b) TREATMENT OF GROUND LEASES.—Paragraph
8 (1) of section 142(b) of the Internal Revenue Code of
9 1986 (relating to certain facilities must be governmentally
10 owned) is amended by adding at the end the following new
11 subparagraph:

12 “(C) SPECIAL RULE FOR SPACEPORT
13 GROUND LEASES.—For purposes of subpara-
14 graph (A), spaceport property which is located
15 on land owned by the United States and which
16 is used by a governmental unit pursuant to a
17 lease (as defined in section 168(h)(7)) from the
18 United States shall be treated as owned by such
19 unit if—

20 “(i) the lease term (within the mean-
21 ing of section 168(i)(3)) is at least 15
22 years, and

23 “(ii) such unit would be treated as
24 owning such property if such lease term
25 were equal to the useful life of such prop-
26 erty.”.

1 (c) BOND MAY BE FEDERALLY GUARANTEED.—
 2 Paragraph (3) of section 149(b) of the Internal Revenue
 3 Code of 1986 (relating to exceptions) is amended by add-
 4 ing at the end the following new subparagraph:

5 “(E) EXCEPTION FOR SPACEPORTS.—
 6 Paragraph (1) shall not apply to any exempt fa-
 7 cility bond issued as part of an issue described
 8 in paragraph (1) of section 142(a) to provide a
 9 spaceport in situations where—

10 “(i) the guarantee of the United
 11 States (or an agency or instrumentality
 12 thereof) is the result of payment of rent,
 13 user fees, or other charges by the United
 14 States (or any agency or instrumentality
 15 thereof), and

16 “(ii) the payment of the rent, user
 17 fees, or other charges is for, and condi-
 18 tioned upon, the use of the spaceport by
 19 the United States (or any agency or in-
 20 strumentality thereof).”.

21 (d) EFFECTIVE DATE.—The amendments made by
 22 this section shall apply to obligations issued after the date
 23 of the enactment of this Act.

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