

110TH CONGRESS
2D SESSION

H. R. 5967

To amend the Internal Revenue Code of 1986 to provide for reallocation of abandoned private activity bond volume cap.

IN THE HOUSE OF REPRESENTATIVES

MAY 5, 2008

Mr. WEINER 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 provide for reallocation of abandoned private activity bond 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 “Affordable Housing
5 Expansion Act of 2008”.

6 **SEC. 2. REALLOCATION OF UNUSED PRIVATE ACTIVITY**
7 **BOND VOLUME CAP.**

8 (a) IN GENERAL.—Subsection (d) of section 146 of
9 the Internal Revenue Code of 1986 (relating to State ceil-

1 ing) is amended by adding at the end the following new
2 paragraph:

3 “(5) REALLOCATION OF UNUSED VOLUME
4 CAP.—

5 “(A) IN GENERAL.—The State ceiling ap-
6 plicable to any State for any calendar year shall
7 be increased by an amount equal to any amount
8 allocated to the State under subparagraph (B).

9 “(B) REALLOCATION BY SECRETARY.—For
10 purposes of this paragraph—

11 “(i) IN GENERAL.—The unused vol-
12 ume cap for calendar year 2008, and each
13 year thereafter, shall be assigned to the
14 Secretary for allocation among qualified
15 States for the succeeding calendar year.

16 “(ii) FORMULA FOR ALLOCATION.—
17 The amounts allocated to a qualified State
18 under this subparagraph shall be the
19 amount determined by the Secretary to
20 bear the same ratio to the aggregate un-
21 used volume cap for the calendar year as
22 such State’s population for the calendar
23 year bears to the population of all qualified
24 States for the calendar year.

1 “(C) DEFINITIONS.—For purposes of this
2 paragraph—

3 “(i) UNUSED VOLUME CAP.—The
4 term ‘unused volume cap’ means, with re-
5 spect to any calendar year, an amount
6 equal to the sum of—

7 “(I) any carryforward not used
8 by issuing authorities under sub-
9 section (f) which arose in the third
10 calendar year preceding such calendar
11 year, plus

12 “(II) the excess (if any) of each
13 issuing authority’s volume cap for
14 such calendar year (determined with-
15 out regard to any increase for such
16 calendar year under subparagraph
17 (A)), over the aggregate amount of
18 tax-exempt private activity bonds
19 issued during such calendar year by
20 such authority (but only to the extent
21 such issuing authority makes no elec-
22 tion with respect to such excess under
23 subsection (f)(1)).

24 “(ii) QUALIFYING STATE.—The term
25 ‘qualifying State’ means, with respect to a

1 calendar year, any State for which a re-
2 quest is made (not later than May 1 of the
3 calendar year) to receive an increase under
4 this paragraph.

5 “(D) TREATMENT OF 2001 THROUGH 2007
6 UNUSED VOLUME CAP.—The unused volume
7 cap for calendar year 2008 (determined without
8 regard to this subparagraph) shall be increased
9 by an amount equal to the sum of—

10 “(i) any carryforward not used by
11 issuing authorities under subsection (f)
12 which arose in each of calendar years 1998
13 through 2004, plus

14 “(ii) the excess (if any) described in
15 subparagraph (C)(i)(II) for each of cal-
16 endar years 2001 through 2007.”.

17 (b) CONFORMING AMENDMENT.—Subparagraph (A)
18 of section 146(f)(1) of such Code is amended by inserting
19 “(determined without regard to any increase for the cal-
20 endar year under subsection (d)(5))” after “1985”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to bonds issued after December
23 31, 2008.

○