

113TH CONGRESS  
2D SESSION

# H. R. 4365

To amend the Internal Revenue Code of 1986 to permanently extend the new markets tax credit, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 2, 2014

Mr. GERLACH (for himself, Mr. NEAL, Mr. KELLY of Pennsylvania, Mr. BLUMENAUER, Mr. TIBERI, Mr. RANGEL, Mr. REED, Mr. McDERMOTT, and Mr. LEWIS) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to permanently extend the new markets tax 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 “New Markets Tax  
5 Credit Extension Act of 2014”.

6 **SEC. 2. PERMANENT EXTENSION OF NEW MARKETS TAX**

7 **CREDIT.**

8 (a) **EXTENSION.**—

1           (1) IN GENERAL.—Subparagraph (G) of section  
2           45D(f)(1) of the Internal Revenue Code of 1986 is  
3           amended by striking “, 2011, 2012, and 2013” and  
4           inserting “and each calendar year thereafter”.

5           (2) CONFORMING AMENDMENT.—Section  
6           45D(f)(3) of such Code is amended by striking the  
7           last sentence.

8           (b) INFLATION ADJUSTMENT.—Subsection (f) of sec-  
9           tion 45D of the Internal Revenue Code of 1986 is amend-  
10          ed by adding at the end the following new paragraph:

11           “(4) INFLATION ADJUSTMENT.—

12           “(A) IN GENERAL.—In the case of any cal-  
13           endar year beginning after 2013, the dollar  
14           amount in paragraph (1)(G) shall be increased  
15           by an amount equal to—

16           “(i) such dollar amount, multiplied by

17           “(ii) the cost-of-living adjustment de-  
18           termined under section 1(f)(3) for the cal-  
19           endar year, determined by substituting  
20           ‘calendar year 2000’ for ‘calendar year  
21           1992’ in subparagraph (B) thereof.

22           “(B) ROUNDING RULE.—Any increase  
23           under subparagraph (A) which is not a multiple  
24           of \$1,000,000 shall be rounded to the nearest  
25           multiple of \$1,000,000.”.

1           (c) ALTERNATIVE MINIMUM TAX RELIEF.—Subpara-  
2 graph (B) of section 38(c)(4) of the Internal Revenue  
3 Code of 1986 is amended—

4           (1) by redesignating clauses (v) through (ix) as  
5 clauses (vi) through (x), respectively, and

6           (2) by inserting after clause (iv) the following  
7 new clause:

8                           “(v) the credit determined under sec-  
9 tion 45D, but only with respect to credits  
10 determined with respect to qualified equity  
11 investments (as defined in section 45D(b))  
12 initially made after the date of the enact-  
13 ment of the New Markets Tax Credit Ex-  
14 tension Act of 2014,”.

15       (d) EFFECTIVE DATES.—

16           (1) IN GENERAL.—Except as provided in para-  
17 graph (2), the amendments made by this section  
18 shall take effect on the date of the enactment of this  
19 Act.

20           (2) ALTERNATIVE MINIMUM TAX RELIEF.—The  
21 amendments made by subsection (c) shall apply to  
22 credits determined with respect to qualified equity  
23 investments (as defined in section 45D(b) of the In-

1        ternal Revenue Code of 1986) initially made after  
2        the date of the enactment of this Act.

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