

110TH CONGRESS  
1ST SESSION

# H. R. 3843

To amend the Internal Revenue Code of 1986 to provide a special allocation under the new markets tax credit in connection with trade adjustment assistance.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 16, 2007

Mr. REYNOLDS 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 provide a special allocation under the new markets tax credit in connection with trade adjustment assistance.

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 Employment for  
5 Workers & Job Opportunities for Business Strength Act  
6 of 2007” or the “NEW JOBS Act of 2007”.

1 **SEC. 2. SPECIAL ALLOCATION UNDER NEW MARKETS TAX**  
2 **CREDIT IN CONNECTION WITH TRADE AD-**  
3 **JUSTMENT ASSISTANCE.**

4 (a) IN GENERAL.—Section 45D of the Internal Rev-  
5 enue Code of 1986 is amended by redesignating subsection  
6 (i) as subsection (j) and by inserting after subsection (h)  
7 the following new subsection:

8 “(i) SPECIAL ALLOCATIONS IN CONNECTION WITH  
9 TRADE ADJUSTMENT ASSISTANCE.—

10 “(1) ALLOCATIONS.—The new markets tax  
11 credit limitation otherwise determined under sub-  
12 section (f)(1) shall be increased by an amount equal  
13 to \$500,000,000 for 2008 to be allocated among  
14 qualified community development entities to make  
15 capital or equity investments in, or loans to, quali-  
16 fied TAA businesses.

17 “(2) RESTRICTION ON DESIGNATION.—A quali-  
18 fied community development entity receiving an allo-  
19 cation under paragraph (1) may not use such alloca-  
20 tion to designate any qualified equity investment  
21 under subsection (b)(1)(C) unless substantially all of  
22 such investment is used for the purpose described in  
23 paragraph (1).

24 “(3) QUALIFIED TAA BUSINESSES.—For pur-  
25 poses of this subsection—

1           “(A) IN GENERAL.—The term ‘qualified  
2 TAA business’ means, with respect to any tax-  
3 able year—

4           “(i) any qualified active low-income  
5 community business (as defined in sub-  
6 section (d)(2)) which meets the require-  
7 ments of clause (i) or (ii) of subparagraph  
8 (B) for such taxable year, and

9           “(ii) any specified TAA business.

10          “(B) SPECIFIED TAA BUSINESS.—The  
11 term ‘specified TAA business’ means, with re-  
12 spect to any taxable year, any corporation (in-  
13 cluding a nonprofit corporation) or partnership  
14 if—

15          “(i) not less than 40 percent of the  
16 individuals hired by such entity during  
17 such taxable year were eligible TAA recipi-  
18 ents (as defined in section 35(c)(2)) or eli-  
19 gible alternative TAA recipients (as de-  
20 fined in section 35(c)(3)) with respect to  
21 any month beginning during the 1-year pe-  
22 riod ending on the hiring date (as defined  
23 in section 51(d)) of such individual,

24          “(ii) such entity is certified by the  
25 Secretary of Commerce as eligible to apply

1 for adjustment assistance under chapter 3  
2 of title II of the Trade Act of 1974 with  
3 respect to any portion of the taxable year  
4 in which the investment or loan referred to  
5 in paragraph (1) is made, and

6 “(iii) the Secretary determines that  
7 such entity will utilize the assistance pro-  
8 vided pursuant to this section in a manner  
9 consistent with the purposes of subsection  
10 (d)(2)(A).

11 The requirement of clause (i) shall be treated  
12 as satisfied for any taxable year if such clause  
13 would be satisfied if all individuals hired by  
14 such entity during such taxable year and all  
15 preceding taxable years which are not before  
16 the taxable year in which the investment or  
17 loan referred to in paragraph (1) was made  
18 were taken into account.

19 “(4) REALLOCATIONS.—Subsection (f)(3) shall  
20 be applied separately with respect to the amount of  
21 the increase under paragraph (1).”.

22 (b) EFFECTIVE DATE.—The amendments made by  
23 this section shall apply to allocations made after December  
24 31, 2007.

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