

109TH CONGRESS  
1ST SESSION

# H. R. 3957

To amend the Internal Revenue Code of 1986 to extend the new markets tax credit.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 29, 2005

Mr. LEWIS of Kentucky (for himself, Mr. RANGEL, Mr. ENGLISH of Pennsylvania, Mr. JEFFERSON, and Mrs. JOHNSON of Connecticut) 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 extend the new markets tax credit.

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 Reauthorization Act of 2005”.

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

7 (a) EXTENSION.—Subsection (f)(1) of section 45D of  
8 the Internal Revenue Code of 1986 (relating to new mar-  
9 kets tax credit) is amended to read as follows:

1           “(1) IN GENERAL.—There is a new markets tax  
2           credit limitation of \$3,500,000,000 for each of cal-  
3           endar years 2008 through 2012.”.

4           (b) INFLATION ADJUSTMENT.—Subsection (f) of  
5           such section of such Code is amended by inserting at the  
6           end the following new paragraph:

7           “(4) INFLATION ADJUSTMENT.—

8                   “(A) IN GENERAL.—In the case of a tax-  
9                   able year beginning after December 31, 2008,  
10                  the dollar amount in paragraph (1) shall be in-  
11                  creased by an amount equal to—

12                           “(i) such dollar amount, multiplied by

13                                   “(ii) the cost-of-living adjustment de-  
14                                   termined under section 1(f)(3) for the cal-  
15                                   endar year in which the taxable year be-  
16                                   gins, determined by substituting ‘calendar  
17                                   year 2007’ for ‘calendar year 1992’ in sub-  
18                                   paragraph (B) thereof.

19                   “(B) ROUNDING RULE.—If a dollar  
20                   amount in paragraph (1), as increased under  
21                   subparagraph (A), is not a multiple of  
22                   \$1,000,000, such amount shall be rounded to  
23                   the nearest multiple of \$1,000,000.”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2007.

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