



JOINT COMMITTEE ON TAXATION

April 9, 2008

JCX-29-08

**DESCRIPTION OF THE CHAIRMAN'S AMENDMENT IN THE NATURE
OF A SUBSTITUTE TO H.R. 5720,
THE "HOUSING ASSISTANCE TAX ACT OF 2008,"**

The Chairman's amendment in the nature of a substitute makes the following modifications to H.R. 5720, the "Housing Assistance Act of 2008" as introduced.

1. Clarification to first-time homebuyer effective date

The Chairman's amendment provides that the first-time homebuyer credit is effective for qualifying home purchases after April 8, 2008 and before April 1, 2009 (without regard to whether or not there was a binding contract to purchase prior to April 8, 2008).

2. Modification to provision relating to bonds guaranteed by the federal home loan banks being eligible for treatment as tax-exempt debt

The Chairman's amendment modifies the proposal relating to the Federal guarantee exception for the Federal home loan banks by limiting the exception to guarantees provided by such banks that meet safety and soundness collateral requirements for guarantees which are at least as stringent as the requirements which apply under regulations applicable to such guarantees by Federal home loan banks as in effect on April 9, 2008.