To amend the American Recovery and Reinvestment Tax Act of 2009 to clarify the low-income housing credits that are eligible for the low-income housing grant election, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 23, 2009

Mr. Bayh (for himself, Mr. Shelby, Ms. Landrieu, Mr. Vitter, Mr. Durbin, Mr. Bond, Mr. Harkin, Mr. Johanns, Mr. Wicker, Mr. Lugar, Mr. Cochran, and Mr. Nelson of Nebraska) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the American Recovery and Reinvestment Tax Act of 2009 to clarify the low-income housing credits that are eligible for the low-income housing grant election, and for other purposes.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Disaster State Housing Recovery Act of 2009”.
SEC. 2. LOW-INCOME HOUSING GRANT ELECTION.

(a) CLARIFICATION OF ELIGIBILITY OF LOW-INCOME HOUSING CREDITS FOR LOW-INCOME HOUSING GRANT ELECTION.—Paragraph (1) of section 1602(b) of the American Recovery and Reinvestment Tax Act of 2009 is amended—

(1) by inserting “, plus any increase in the State housing credit ceiling for 2009 attributable to any State housing credit ceiling returned in 2009 to the State by reason of section 1400N(e) of such Code (including as such section is applied by reason of sections 702(d)(2) and 704(b) of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008)” after “1986” in subparagraph (A), and

(2) by inserting “, plus any increase in the State housing credit ceiling for 2009 attributable to any additional State housing credit ceiling made by reason of the application of such section 702(d)(2) and 704(b)” after “such section” in subparagraph (B).

(b) APPLICATION OF ADDITIONAL HOUSING CREDIT AMOUNT FOR PURPOSES OF 2009 GRANT ELECTION.—Subsection (b) of section 1602 of the American Recovery and Reinvestment Tax Act of 2009, as amended by subsection (a), is amended by adding at the end the following flush sentence:
“For purposes of subparagraph (B), in the case of any area to which such section 702(d)(2) or 704(b) applies, section 1400N(c)(1)(A) of such Code shall be applied without regard to clause (i).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply as if included in the enactment of section 1602 of the American Recovery and Reinvestment Tax Act of 2009.