

S 675

New Homestead Act of 2005

Congress: 109 (2005–2007, Ended)

Chamber: Senate

Policy Area: Housing and Community Development

Introduced: Mar 17, 2005

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Mar 17, 2005)

Official Text: https://www.congress.gov/bill/109th-congress/senate-bill/675

Sponsor

Name: Sen. Dorgan, Byron L. [D-ND]

Party: Democratic • State: ND • Chamber: Senate

Cosponsors (14 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Brownback, Sam [R-KS]	R · KS		Mar 17, 2005
Sen. Burns, Conrad R. [R-MT]	R · MT		Mar 17, 2005
Sen. Conrad, Kent [D-ND]	D · ND		Mar 17, 2005
Sen. Dayton, Mark [D-MN]	D · MN		Mar 17, 2005
Sen. Durbin, Richard J. [D-IL]	D · IL		Mar 17, 2005
Sen. Hagel, Chuck [R-NE]	R · NE		Mar 17, 2005
Sen. Harkin, Tom [D-IA]	D · IA		Mar 17, 2005
Sen. Johnson, Tim [D-SD]	D · SD		Mar 17, 2005
Sen. Coleman, Norm [R-MN]	R · MN		Apr 12, 2005
Sen. Landrieu, Mary L. [D-LA]	D · LA		Apr 18, 2005
Sen. Rockefeller, John D., IV [D-WV]	D · WV		Apr 21, 2005
Sen. Salazar, Ken [D-CO]	D · CO		May 10, 2005
Sen. Pryor, Mark L. [D-AR]	D · AR		Jun 27, 2005
Sen. Lincoln, Blanche L. [D-AR]	D · AR		Jun 22, 2006

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Mar 18, 2005

Subjects & Policy Tags

Policy Area:

Housing and Community Development

## Related Bills

Bill	Relationship	Last Action
109 HR 5380	Related bill	<b>Jul 14, 2006:</b> Referred to the Subcommittee on 21st Century Competitiveness.

## Summary (as of Mar 17, 2005)

New Homestead Act of 2005 - Directs the Secretary of Education to repay a specified percentage (up to \$2,000 per year) of certain education loans to an individual who completes a degree and both resides and is employed for at least five years in an area outside a metropolitan statistical area which for 20 years has a net out-migration of inhabitants of at least ten percent of the county population (qualifying county).

Amends the Internal Revenue Code to allow a: (1) tax credit for the lesser of \$5,000 or ten percent of the purchase price of a principal residence in a qualifying county; and (2) capital loss deduction with respect to a sale or exchange of a principal residence in a qualifying county.

Provides for the creation of tax-exempt individual homestead accounts, funded by individual cash contributions and matching Federal contributions according to a specified formula, whose tax-free distributions after five years are used by residents of qualifying counties for qualified higher education or medical expenses, first-time homebuyer or business capitalization costs, or rollovers.

Establishes a rural investment tax credit of 70 percent of the present value of new buildings (including rehabilitation projects) or 30 percent of the present value of existing buildings.

Establishes a qualified rural small business investment credit of 30 percent of expenditures for starting or expanding a business, including costs for capital, plant and equipment, inventory expenses, and wages, but not including interest costs.

Provides for accelerated depreciation of business property in rural investment projects.

New Homestead Venture Capital Fund Act - Amends the Consolidated Farm and Rural Development Act to establish the New Homestead Venture Capital Fund (Fund), owned by private investors, to generate and provide equity capital to rural businesses in qualifying counties. Directs the Secretary of Agriculture to provide funding and guarantees for private investors in the Fund.

## Actions Timeline

- **Mar 17, 2005:** Introduced in Senate
- **Mar 17, 2005:** Sponsor introductory remarks on measure. (CR S3056)
- **Mar 17, 2005:** Read twice and referred to the Committee on Finance.