

## HR 5720

Housing Assistance Tax Act of 2008

**Congress:** 110 (2007–2009, Ended)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** Apr 8, 2008

**Current Status:** Placed on the Union Calendar, Calendar No. 377.

**Latest Action:** Placed on the Union Calendar, Calendar No. 377. (Apr 24, 2008)

**Official Text:** <https://www.congress.gov/bill/110th-congress/house-bill/5720>

### Sponsor

**Name:** Rep. Rangel, Charles B. [D-NY-15]

**Party:** Democratic • **State:** NY • **Chamber:** House

### Cosponsors (17 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Berkley, Shelley [D-NV-1]	D · NV		Apr 8, 2008
Rep. Blumenauer, Earl [D-OR-3]	D · OR		Apr 8, 2008
Rep. Crowley, Joseph [D-NY-7]	D · NY		Apr 8, 2008
Rep. Ellison, Keith [D-MN-5]	D · MN		Apr 8, 2008
Rep. Emanuel, Rahm [D-IL-5]	D · IL		Apr 8, 2008
Rep. Giffords, Gabrielle [D-AZ-8]	D · AZ		Apr 8, 2008
Rep. Johnson, Henry C. "Hank," Jr. [D-GA-4]	D · GA		Apr 8, 2008
Rep. Jones, Stephanie Tubbs [D-OH-11]	D · OH		Apr 8, 2008
Rep. Lewis, John [D-GA-5]	D · GA		Apr 8, 2008
Rep. Mahoney, Tim [D-FL-16]	D · FL		Apr 8, 2008
Rep. McDermott, Jim [D-WA-7]	D · WA		Apr 8, 2008
Rep. Pomeroy, Earl [D-ND-At Large]	D · ND		Apr 8, 2008
Rep. Rodriguez, Ciro D. [D-TX-23]	D · TX		Apr 8, 2008
Rep. Shea-Porter, Carol [D-NH-1]	D · NH		Apr 8, 2008
Rep. Sires, Albio [D-NJ-13]	D · NJ		Apr 8, 2008
Rep. Thompson, Mike [D-CA-1]	D · CA		Apr 8, 2008
Rep. Welch, Peter [D-VT-At Large]	D · VT		Apr 8, 2008

### Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Reported By	Apr 24, 2008

Subjects & Policy Tags

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Policy Area:

Taxation

Related Bills

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No related bills are listed.

Housing Assistance Tax Act of 2008 - **Title I: Housing Tax Incentives - Subtitle A: Multi-Family Housing - Part 1: Low-Income Housing Tax Credit** - Amends Internal Revenue Code provisions relating to the low-income housing tax credit and tax-exempt bond rules for financing low-income housing projects.

(Sec. 101) Increases in 2008 and 2009 the per capita amount of the low-income housing tax credit allocable by each state.

(Sec. 102) Modifies rules for the low-income housing tax credit to: (1) eliminate the distinction between new and existing buildings for purposes of such credit; (2) establish a minimum credit rate for non-federally subsidized buildings; (3) set forth criteria for designating a building as federally subsidized and for considering federal assistance in calculating such credit; and (4) revise basis rules for certain state buildings and community service facilities.

(Sec. 104) Repeals: (1) the prohibition against providing low-income housing tax credits to properties receiving moderate rehabilitation assistance under the Housing Act of 1937; and (2) bond posting requirements relating to the disposition of buildings for which a low-income housing tax credit was claimed.

Requires states to consider the energy efficiency of a low-income housing project and its historical nature in allocating credit amounts among such projects.

Extends eligibility for the low-income housing tax credit to students who receive foster care assistance under title IV (Grants to States for Aid and Services to Needy Families with Children and for Child-Welfare Services) of the Social Security Act.

**Part 2: Modifications to Tax-Exempt Housing Bond Rules** - (Sec. 111) Modifies rules pertaining to tax-exempt housing bonds to: (1) permit treatment of certain residential rental project bonds as refunding bonds regardless of any change in the obligors of such bonds; and (2) allow continued eligibility for low-income housing tax benefits with respect to new tenants, students, and single-room occupancies.

**Part 3: Reforms Related to the Low-Income Housing Credit and Tax-Exempt Housing Bonds** - (Sec. 121) Requires that median gross income levels established for calendar years after 2008 for determining eligibility for low-income housing tax benefits remain at the same level as preceding calendar years.

(Sec. 122) Waives annual income recertification requirements for residents of low-income rental projects whose incomes do not exceed applicable limits.

**Subtitle B: Single Family Housing** - (Sec. 131) Allows first-time homebuyers a tax credit for 10% of the purchase price of a principal residence. Limits the dollar amount of such credit to \$7,500.

(Sec. 132) Allows individual taxpayers who claim the standard deduction an additional deduction from gross income for state and local real property taxes.

**Subtitle C: General Provisions** - (Sec. 141) Authorizes in 2008 an additional \$10 billion in the volume cap for issuing tax-qualified bonds for certain residential rental projects.

Allows until December 31, 2010, the use of mortgage bond proceeds to refinance certain subprime residential mortgage loans made between 2002 and 2008.

(Sec. 142) Exempts from the alternative minimum tax (AMT) tax-exempt interest on certain housing bonds. Allows low-income housing and rehabilitation tax credit amounts to offset AMT liability.

(Sec. 143) Allows certain municipal bonds that are guaranteed by federal home loan banks to qualify as tax-exempt bonds.

(Sec. 144) Sets forth an alternative procedure for furnishing a non-foreign affidavit in connection with the sale of a U.S. real property interest (USRPI) and the exemption from withholding of tax requirements. Allow a transferor of a USRPI to furnish a non-foreign affidavit to a qualified substitute (i.e., a person responsible for closing the transaction involving a USRPI or the transferee's agent). Denies an exemption from withholding of tax requirements if the qualified substitute or a transferee has actual knowledge that the non-foreign affidavit is false.

(Sec. 145) Increases from 35 to 50 the percentage of property that may be leased to a tax-exempt entity without affecting such property's allowable rehabilitation tax credit.

**Title II: Reforms Related to Real Estate Investment Trusts - Subtitle A: Foreign Currency And Other Qualified Activities** - (Sec. 201) Amends the Internal Revenue Code relating to real estate investment trusts (REITs) to treat passive foreign exchange gains attributable to overseas real estate investment as qualifying REIT income. Revises income and asset tests for such REITs for purposes of determining REIT qualifying income.

**Subtitle B: Taxable REIT Subsidiaries** - (Sec. 211) Increases from 20 to 25% the the maximum value of a REIT's total assets that may be represented by securities of one or more taxable REIT subsidiaries.

**Subtitle C: Dealer Sales** - (Sec. 221) Reduces from four to two years the holding period for certain assets exempted from prohibited transaction rules for REITs.

(Sec. 222) Revises criteria for imposing an excise tax penalty for prohibited transactions for sales by REITs.

**Subtitle D: Health Care REITs** - (Sec. 231) Allows the treatment of rental payments by a health care facility to a taxable REIT subsidiary to be treated as qualifying REIT rental income.

**Subtitle E: Effective Dates** - (Sec. 241) Sets forth the effective dates for provisions of this Title.

**Title III: Revenue Provisions** - (Sec. 301) Requires brokers who are required to report gross proceeds from the sale of any publicly-traded security to report the holder's adjusted basis in such security and whether any gain or loss with respect to such security is long or short-term.

(Sec. 302) Delays until 2010 the application of special rules for the worldwide allocation of interest for purposes of computing the limitation on the foreign tax credit.

(Sec. 303) Amends the Tax Increase Prevention and Reconciliation Act of 2005 to: (1) repeal the adjustment to the estimated tax liability of corporations with at least \$1 billion in assets for the third quarter of 2012; and (2) increase the estimated tax payments of such corporations in the third quarter of 2013 by 13%.

## Actions Timeline

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- **Apr 24, 2008:** Reported (Amended) by the Committee on Ways and Means. H. Rept. 110-606.
- **Apr 24, 2008:** Placed on the Union Calendar, Calendar No. 377.
- **Apr 9, 2008:** Committee Consideration and Mark-up Session Held.
- **Apr 9, 2008:** Ordered to be Reported (Amended) by the Yeas and Nays: 35 - 5.
- **Apr 8, 2008:** Introduced in House
- **Apr 8, 2008:** Referred to the House Committee on Ways and Means.