

108TH CONGRESS
1ST SESSION

H. R. 2648

To amend the Internal Revenue Code of 1986 to permit the use of proceeds of tax exempt private activity bonds for community and water facility loans guaranteed under the Consolidated Farm and Rural Development Act.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2003

Mr. POMBO introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to permit the use of proceeds of tax exempt private activity bonds for community and water facility loans guaranteed under the Consolidated Farm and Rural Development Act.

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

1 **SECTION 1. USE OF PROCEEDS OF TAX EXEMPT PRIVATE**
2 **ACTIVITY BONDS FOR COMMUNITY AND**
3 **WATER FACILITY LOANS GUARANTEED**
4 **UNDER CONSOLIDATED FARM AND RURAL**
5 **DEVELOPMENT ACT.**

6 (a) IN GENERAL.—Paragraph (3) of section 149(b)
7 of the Internal Revenue Code of 1986 (relating to excep-
8 tions) is amended by adding at the end the following new
9 subparagraph:

10 “(E) PRIVATE ACTIVITY BONDS THE PRO-
11 CEEDS OF WHICH ARE FOR CERTAIN LOANS
12 GUARANTEED UNDER CONSOLIDATED FARM
13 AND RURAL DEVELOPMENT ACT.—Paragraph
14 (1) shall not apply to any bond the proceeds of
15 which are used to make a loan which is guaran-
16 teed by the Secretary of Agriculture under sec-
17 tion 306(a) of the Consolidated Farm and
18 Rural Development Act (as in effect on the date
19 of the enactment of this subparagraph).”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 subsection (a) shall apply to obligations issued after the
22 date of the enactment of this Act.

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