

109TH CONGRESS
2^D SESSION

S. 3657

To amend the Internal Revenue Code of 1986 to allow bonds guaranteed by the Federal home loan banks to be treated as tax exempt bonds.

IN THE SENATE OF THE UNITED STATES

JULY 13, 2006

Mr. SANTORUM introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow bonds guaranteed by the Federal home loan banks to be treated as tax exempt bonds.

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

3 **SECTION 1. BONDS GUARANTEED BY FEDERAL HOME LOAN**
4 **BANKS.**

5 (a) IN GENERAL.—Clause (i) of section 149(b)(3)(A)
6 of the Internal Revenue Code of 1986 (relating to excep-
7 tions for certain insurance programs) is amended—

8 (1) by striking “or” after “Corporation,” and

9 (2) by inserting at the end the following: “or
10 the Federal home loan banks,”.

1 (b) **EFFECTIVE DATE.**—The amendment made by
2 subsection (a) shall apply to bonds issued after the date
3 of the enactment of this Act.

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