

110TH CONGRESS
2^D SESSION

H. R. 6674

To amend the Internal Revenue Code of 1986 to provide incentives for building homeless shelters in areas warranting assistance due to incidents of national significance.

IN THE HOUSE OF REPRESENTATIVES

JULY 30, 2008

Mr. JEFFERSON 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 provide incentives for building homeless shelters in areas warranting assistance due to incidents of national significance.

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. SHORT TITLE.**

4 This Act may be cited as the “Duncan Plaza Home-
5 less Disaster Relief Act of 2008”.

1 **SEC. 2. NO-INCOME HOUSING CREDITS FOR AREA WAR-**
2 **RANTING ASSISTANCE DUE TO INCIDENT OF**
3 **NATIONAL SIGNIFICANCE.**

4 (a) IN GENERAL.—Subchapter Y of chapter 1 of the
5 Internal Revenue Code of 1986 (relating to short-term re-
6 gional benefits) is amended by adding at the end the fol-
7 lowing new section:

8 **“PART III—TAX BENEFITS FOR AREAS WAR-**
9 **RANTING ASSISTANCE DUE TO INCIDENT OF**
10 **NATIONAL SIGNIFICANCE**

“Sec. 1400U. No-income housing credits for area warranting assistance due to incident of national significance.

11 **“SEC. 1400U. NO-INCOME HOUSING CREDITS FOR AREA**
12 **WARRANTING ASSISTANCE DUE TO INCIDENT**
13 **OF NATIONAL SIGNIFICANCE.**

14 “(a) IN GENERAL.—In the case of a building—

15 “(1) located within an area determined by the
16 President to warrant public assistance as a result of
17 an incident of national significance, and

18 “(2) placed in service during the 5-year period
19 beginning on the date of such determination,

20 section 42 shall be applied with the modifications set forth
21 in subsection (b).

22 “(b) MODIFICATIONS.—For purposes of subsection
23 (a), section 42 shall be applied as follows:

1 “(1) HOMELESS SHELTERS TREATED AS QUALI-
2 FIED LOW-INCOME BUILDING.—

3 “(A) IN GENERAL.—The term ‘qualified
4 low-income housing project’ shall include any
5 project, if elected by the taxpayer, for a shelter
6 which is used to provide temporary living ac-
7 commodations for homeless individuals (within
8 the meaning of section 103 of the Stewart B.
9 McKinney Homeless Assistance Act (42 U.S.C.
10 11302)).

11 “(B) ELECTION IRREVOCABLE.—Any elec-
12 tion under this paragraph, once made, shall be
13 irrevocable. For purposes of this paragraph,
14 any property shall not be treated as failing to
15 be such a shelter merely because part of the
16 building in which such property is located is
17 used for purposes other than as such a shelter.

18 “(2) QUALIFIED BASIS.—In the case of a quali-
19 fied low-income building with respect to which an
20 election has been made under paragraph (1)—

21 “(A) the qualified basis of such building
22 for any taxable year shall be increased by so
23 much of the eligible basis of such building as is
24 used throughout the year as such a shelter, and

1 “(B) subparagraph (E) of section 42(e)(1)
2 (relating to qualified basis to include portion of
3 building used to provide supportive services for
4 homeless) shall not apply.

5 “(3) TREATED AS RESIDENTIAL RENTAL PROP-
6 ERTY IN DETERMINING ADJUSTED BASIS.—A quali-
7 fied low income building described in paragraph (2)
8 shall be treated as residential rental property for
9 purposes of section 42(d)(4)(A).

10 “(c) INCIDENT OF NATIONAL SIGNIFICANCE.—For
11 purposes of subsection (a), the term ‘incident of national
12 significance’ means a domestic incident which the Presi-
13 dent determines requires the coordination of the Federal
14 Government’s resources utilized in response to or recovery
15 from a terrorist attack, major disaster, or other emergency
16 if and when any two of the following four conditions apply:

17 “(1) A Federal department or agency acting
18 under its own authority has requested the assistance
19 of the Secretary of Homeland Security with respect
20 to the incident.

21 “(2) The resources of State and local authori-
22 ties are overwhelmed with respect to the incident
23 and Federal assistance has been requested by the
24 appropriate State and local authorities.

1 “(3) More than one Federal department or
2 agency has become substantially involved in respond-
3 ing to the incident.

4 “(4) The Secretary of Homeland Security has
5 been directed to assume responsibility for managing
6 the incident by the President.”.

7 (b) CLERICAL AMENDMENT.—The table of parts for
8 subchapter Y of chapter 1 of such Code is amended by
9 inserting after the item relating to part II the following
10 new item:

 “PART III—TAX BENEFITS FOR AREAS WARRANTING ASSISTANCE DUE TO
 INCIDENT OF NATIONAL SIGNIFICANCE”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to buildings placed in service after
13 the date of the enactment of this Act.

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