

116TH CONGRESS
1ST SESSION

S. 750

To amend the Internal Revenue Code of 1986 to permanently extend the new markets tax credit, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 12, 2019

Mr. BLUNT (for himself, Mr. CARDIN, Mr. PORTMAN, Mr. SCHUMER, Mr. SCOTT of South Carolina, and Ms. CANTWELL) 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 permanently extend the new markets tax credit, and for other purposes.

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 “New Markets Tax
5 Credit Extension Act of 2019”.

6 **SEC. 2. PERMANENT EXTENSION OF NEW MARKETS TAX**
7 **CREDIT.**

8 (a) EXTENSION.—

9 (1) IN GENERAL.—Subparagraph (G) of section
10 45D(f)(1) of the Internal Revenue Code of 1986 is

1 amended by striking “for each of calendar years
 2 2010 through 2019” and inserting “for calendar
 3 year 2010 and each calendar year thereafter”.

4 (2) CONFORMING AMENDMENT.—Section
 5 45D(f)(3) of such Code is amended by striking the
 6 last sentence.

7 (b) INFLATION ADJUSTMENT.—Subsection (f) of sec-
 8 tion 45D of the Internal Revenue Code of 1986 is amend-
 9 ed by adding at the end the following new paragraph:

10 “(4) INFLATION ADJUSTMENT.—

11 “(A) IN GENERAL.—In the case of any cal-
 12 endar year beginning after 2018, the dollar
 13 amount in paragraph (1)(G) shall be increased
 14 by an amount equal to—

15 “(i) such dollar amount, multiplied by

16 “(ii) the cost-of-living adjustment de-
 17 termined under section 1(f)(3) for the cal-
 18 endar year, determined by substituting
 19 ‘calendar year 2000’ for ‘calendar year
 20 2016’ in subparagraph (A)(ii) thereof.

21 “(B) ROUNDING RULE.—Any increase
 22 under subparagraph (A) which is not a multiple
 23 of \$1,000,000 shall be rounded to the nearest
 24 multiple of \$1,000,000.”.

1 (c) ALTERNATIVE MINIMUM TAX RELIEF.—Subpara-
 2 graph (B) of section 38(c)(4) of the Internal Revenue
 3 Code of 1986 is amended—

4 (1) by redesignating clauses (vii) through (xii)
 5 as clauses (viii) through (xiii), respectively, and

6 (2) by inserting after clause (vi) the following
 7 new clause:

8 “(vii) the credit determined under sec-
 9 tion 45D, but only with respect to credits
 10 determined with respect to qualified equity
 11 investments (as defined in section 45D(b))
 12 initially made after December 31, 2018,”.

13 (d) EFFECTIVE DATES.—

14 (1) IN GENERAL.—Except as provided in para-
 15 graph (2), the amendments made by this section
 16 shall apply to taxable years beginning after Decem-
 17 ber 31, 2018.

18 (2) ALTERNATIVE MINIMUM TAX RELIEF.—The
 19 amendments made by subsection (c) shall apply to
 20 credits determined with respect to qualified equity
 21 investments (as defined in section 45D(b) of the In-
 22 ternal Revenue Code of 1986) initially made after
 23 December 31, 2018.

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