

.....  
(Original Signature of Member)

118TH CONGRESS  
1ST SESSION

# H. R.

To amend the Internal Revenue Code of 1986 to reform the low-income housing credit, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

Mr. LAHOOD introduced the following bill; which was referred to the Committee on \_\_\_\_\_

---

# A BILL

To amend the Internal Revenue Code of 1986 to reform the low-income housing 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Affordable Housing Credit Improvement Act of 2023”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

Sec. 1. Short title; table of contents.

### TITLE I—REFORM OF STATE ALLOCATION FORMULAS

Sec. 101. Increases in State allocations.

TITLE II—REFORMS RELATING TO TENANT ELIGIBILITY

- Sec. 201. Average income test applicability to exempt facility bonds.
- Sec. 202. Codification of rules relating to increased tenant income.
- Sec. 203. Modification of student occupancy rules.
- Sec. 204. Tenant voucher payments taken into account as rent for certain purposes.
- Sec. 205. Requirement that low-income housing credit-supported housing protect victims of domestic abuse.
- Sec. 206. Clarification of general public use requirement relating to veterans, etc.

TITLE III—RULES RELATING TO CREDIT ELIGIBILITY AND DETERMINATION

- Sec. 301. Reconstruction or replacement period after casualty loss.
- Sec. 302. Modification of previous ownership rules; limitation on acquisition basis.
- Sec. 303. Certain relocation costs taken into account as rehabilitation expenditures.
- Sec. 304. Repeal of qualified census tract population cap.
- Sec. 305. Determination of community revitalization plan to be made by housing credit agency.
- Sec. 306. Prohibition of local approval and contribution requirements.
- Sec. 307. Increase in credit for certain projects designated to serve extremely low-income households.
- Sec. 308. Increase in credit for bond-financed projects designated by State agency.
- Sec. 309. Elimination of basis reduction for low-income housing properties energy efficient commercial building deduction.
- Sec. 310. Restriction of planned foreclosures.
- Sec. 311. Increase of population cap for difficult development areas.
- Sec. 312. Increased cost oversight and accountability.
- Sec. 313. Tax-exempt bond financing requirement.

TITLE IV—REFORMS RELATING TO NATIVE AMERICAN ASSISTANCE

- Sec. 401. Selection criteria under qualified allocation plans.
- Sec. 402. Inclusion of Indian areas as difficult development areas for purposes of certain buildings.

TITLE V—REFORMS RELATING TO RURAL ASSISTANCE

- Sec. 501. Inclusion of rural areas as difficult development areas.
- Sec. 502. Uniform income eligibility for rural projects.

TITLE VI—EXEMPT FACILITY BONDS

- Sec. 601. Revision and clarification of the treatment of refunding issues.

TITLE VII—AFFORDABLE HOUSING TAX CREDIT

- Sec. 701. Affordable housing tax credit.

## TITLE VIII—DATA AND TRANSPARENCY

Sec. 801. Sense of Congress.

1       **TITLE I—REFORM OF STATE**  
2       **ALLOCATION FORMULAS**

3       **SEC. 101. INCREASES IN STATE ALLOCATIONS.**

4       (a) **IN GENERAL.**—Clause (ii) of section 42(h)(3)(C)  
5 of the Internal Revenue Code is amended—

6               (1) in subclause (I), by striking “\$1.75” and  
7               inserting “the per capita amount”, and

8               (2) in subclause (II), by striking “\$2,000,000”  
9               and inserting “the minimum amount”.

10       (b) **PER CAPITA AMOUNT; MINIMUM AMOUNT.**—Sec-  
11 tion 42(h)(3) of the Internal Revenue Code of 1986 is  
12 amended by striking subparagraphs (H) and (I) and in-  
13 serting the following:

14               “(H) **PER CAPITA AMOUNT.**—For purposes  
15               of subparagraph (C)(ii)(I), the per capita  
16               amount shall be determined as follows:

17                       “(i) **CALENDAR YEAR 2023.**—For cal-  
18                       endar year, 2023, the per capita amount is  
19                       \$3.90.

20                       “(ii) **CALENDAR YEAR 2024.**—For cal-  
21                       endar year 2024, the per capita amount is  
22                       the product of—

23                                       “(I) 1.25, and

1                   “(II) the dollar amount under  
2                   clause (i) increased by an amount  
3                   equal to—

4                   “(aa) such dollar amount,  
5                   multiplied by

6                   “(bb) the cost-of-living ad-  
7                   justment determined under sec-  
8                   tion 1(f)(3) for such calendar  
9                   year, determined by substituting  
10                  ‘calendar year 2022’ for ‘cal-  
11                  endar year 2016’ in subpara-  
12                  graph (A)(ii) thereof.

13                  If the amount determined after appli-  
14                  cation of the preceding sentence is not  
15                  a multiple of \$5,000, such amount  
16                  shall be rounded to the next lowest  
17                  multiple of \$5,000.

18                  “(iii) CALENDAR YEARS AFTER  
19                  2024.—In the case of any calendar year  
20                  after 2024, the per capita amount is the  
21                  dollar amount determined under clause (ii)  
22                  increased by an amount equal to—

23                  “(I) such dollar amount, multi-  
24                  plied by

1                   “(II) the cost-of-living adjust-  
2                   ment determined under section 1(f)(3)  
3                   for such calendar year, determined by  
4                   substituting ‘calendar year 2023’ for  
5                   ‘calendar year 2016’ in subparagraph  
6                   (A)(ii) thereof.

7                   Any amount increased under the preceding  
8                   sentence which is not a multiple of 5 cents  
9                   shall be rounded to the next lowest mul-  
10                  tiple of 5 cents.

11                  “(I) MINIMUM AMOUNT.—For purposes of  
12                  subparagraph (C)(ii)(II), the minimum amount  
13                  shall be determined as follows:

14                  “(i) CALENDAR YEAR 2023.—For cal-  
15                  endar year, 2023, the minimum amount is  
16                  \$4,495,000.

17                  “(ii) CALENDAR YEAR 2024.—For cal-  
18                  endar year 2024, the minimum amount is  
19                  the product of—

20                         “(I) 1.25, and

21                         “(II) the dollar amount under  
22                         clause (i) increased by an amount  
23                         equal to—

24                                 “(aa) such dollar amount,  
25                                 multiplied by

1                   “(bb) the cost-of-living ad-  
2                   justment determined under sec-  
3                   tion 1(f)(3) for such calendar  
4                   year, determined by substituting  
5                   ‘calendar year 2022’ for ‘cal-  
6                   endar year 2016’ in subpara-  
7                   graph (A)(ii) thereof.

8                   If the amount determined after appli-  
9                   cation of the preceding sentence is not  
10                  a multiple of 5 cents, such amount  
11                  shall be rounded to the next lowest  
12                  multiple of 5 cents.

13                  “(iii) CALENDAR YEARS AFTER  
14                  2024.—In the case of any calendar year  
15                  after 2024, the minimum amount is the  
16                  dollar amount determined under clause (ii)  
17                  increased by an amount equal to—

18                         “(I) such dollar amount, multi-  
19                         plied by

20                         “(II) the cost-of-living adjust-  
21                         ment determined under section 1(f)(3)  
22                         for such calendar year, determined by  
23                         substituting ‘calendar year 2023’ for  
24                         ‘calendar year 2016’ in subparagraph  
25                         (A)(ii) thereof.

1 Any amount increased under the preceding  
2 sentence which is not a multiple of \$5,000  
3 shall be rounded to the next lowest mul-  
4 tiple of \$5,000.”.

5 (c) EFFECTIVE DATE.—The amendments made by  
6 this section shall apply to calendar years beginning after  
7 December 31, 2022.

8 **TITLE II—REFORMS RELATING**  
9 **TO TENANT ELIGIBILITY**

10 **SEC. 201. AVERAGE INCOME TEST APPLICABILITY TO EX-**  
11 **EMPT FACILITY BONDS.**

12 (a) IN GENERAL.—Paragraph (1) of section 142(d)  
13 of the Internal Revenue Code of 1986 is amended—

14 (1) by striking “(A) or (B)” and inserting “(A),  
15 (B), or (C)”, and

16 (2) by inserting after subparagraph (B) the fol-  
17 lowing new subparagraph:

18 “(C) AVERAGE INCOME TEST.—A project  
19 meets the requirements of this subparagraph if  
20 it meets the minimum requirements of section  
21 42(g)(1)(C).”.

22 (b) EFFECTIVE DATE.—The amendments made by  
23 this section shall apply to elections made under section  
24 142(d)(1) of the Internal Revenue Code of 1986 after  
25 March 23, 2018.

1 **SEC. 202. CODIFICATION OF RULES RELATING TO IN-**  
2 **CREASED TENANT INCOME.**

3 (a) IN GENERAL.—Clause (i) of section 42(g)(2)(D)  
4 of the Internal Revenue Code of 1986 is amended by strik-  
5 ing “clauses (ii), (iii), and (iv)” and all that follows and  
6 inserting “clauses (ii), (iii), (iv), and (vi), notwithstanding  
7 an increase in the income of the occupants above the in-  
8 come limitation applicable under paragraph (1)—

9 “(I) a low-income unit shall con-  
10 tinue to be treated as a low-income  
11 unit if the income of such occupants  
12 initially was 60 percent or less of area  
13 median gross income and such unit  
14 continues to be rent-restricted, and

15 “(II) a unit to which, at the time  
16 of initial occupancy by such occu-  
17 pants, any Federal, State, or local  
18 government income restriction ap-  
19 plied, and which subsequently becomes  
20 part of a building with respect to  
21 which rehabilitation expenditures are  
22 taken into account under subsection  
23 (e), shall be treated as a low-income  
24 unit if the income of such occupants  
25 initially was 60 percent or less of area  
26 median gross income and does not ex-



1                   ceed 120 percent of area median gross  
2                   income as of the date of acquisition of  
3                   the property by the taxpayer.”.

4           (b) EXCEPTION.—Subparagraph (D) of section  
5 42(g)(2) of the Internal Revenue Code of 1986, as amend-  
6 ed by this Act, is further amended by adding at the end  
7 the following new clause:

8                   “(vi) EXCEPTION TO RULE RELATING  
9                   TO INCREASED TENANT INCOME.—In the  
10                  case of an occupant of a low-income unit  
11                  who initially qualified to occupy such unit  
12                  by reason of paragraph (1)(C) with an in-  
13                  come in excess of 60 percent of area me-  
14                  dian gross income but not in excess of 80  
15                  percent of area median gross income,  
16                  clause (i) shall be applied for substituting  
17                  ‘80 percent’ for ‘60 percent’ each place it  
18                  appears.”.

19           (c) EFFECTIVE DATE.—The amendments made by  
20 this section shall apply to taxable years beginning after  
21 December 31, 2022.

22 **SEC. 203. MODIFICATION OF STUDENT OCCUPANCY RULES.**

23           (a) IN GENERAL.—Subparagraph (D) of section  
24 42(i)(3) of the Internal Revenue Code of 1986 is amended  
25 to read as follows:

1 “(D) RULES RELATING TO STUDENTS.—

2 “(i) IN GENERAL.—A unit occupied  
3 solely by individuals who—

4 “(I) have not attained age 24,  
5 and

6 “(II) are enrolled in a full-time  
7 course of study at an institution of  
8 higher education (as defined in section  
9 3304(f)),

10 shall not be treated as a low-income unit.

11 “(ii) EXCEPTION FOR CERTAIN FED-  
12 ERAL PROGRAMS.—In the case of a feder-  
13 ally-assisted building (as defined in sub-  
14 section (d)(6)(C)(i)), clause (i) shall not  
15 apply to a unit all of the occupants of  
16 which meet all applicable requirements  
17 under the housing program described in  
18 such subsection through which the building  
19 is assisted, financed, or operated.

20 “(iii) OTHER EXCEPTIONS.—An indi-  
21 vidual shall not be treated as described in  
22 clause (i) if the individual meets the in-  
23 come limitation applicable under subsection  
24 (g)(1) to the project of which the building  
25 is a part and—

1 “(I) is married,

2 “(II) is a person with disabilities  
3 (as defined in section 3(b)(3)(E) of  
4 the United States Housing Act of  
5 1937),

6 “(III) is a veteran (as defined in  
7 section 101(2) of title 38, United  
8 States Code),

9 “(IV) has 1 or more qualifying  
10 children (as defined in section  
11 152(c)),

12 “(V) is or has been a victim or  
13 threatened victim of domestic violence,  
14 dating violence, sexual assault, or  
15 stalking (as defined in section 40002  
16 of the Violence Against Women Act of  
17 1994),

18 “(VI) is or has been a victim of  
19 any form of human trafficking, or

20 “(VII) is, or was prior to attain-  
21 ing the age of majority—

22 “(aa) an emancipated minor  
23 or in legal guardianship as deter-  
24 mined by a court of competent

1 jurisdiction in the individual's  
2 State of legal residence,

3 “(bb) under the care and  
4 placement responsibility of the  
5 State agency responsible for ad-  
6 ministering a plan under part B  
7 or part E of title IV of the Social  
8 Security Act, or

9 “(cc) an unaccompanied  
10 youth (within the meaning of sec-  
11 tion 725(6) of the McKinney-  
12 Vento Homeless Assistance Act  
13 (42 U.S.C. 11434a(6))) or a  
14 homeless child or youth (within  
15 the meaning of section 725(2) of  
16 such Act (42 U.S.C.  
17 11434a(2))).

18 For purposes of subclause (VI), an in-  
19 dividual is or has been a victim of  
20 human trafficking if such individual  
21 was subjected to an act or practice de-  
22 scribed in paragraph (11) or (12) of  
23 section 103 of the Trafficking Victims  
24 Protection Act of 2000.”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2023.

4 **SEC. 204. TENANT VOUCHER PAYMENTS TAKEN INTO AC-**  
5 **COUNT AS RENT FOR CERTAIN PURPOSES.**

6 (a) IN GENERAL.—Subparagraph (B) of section  
7 42(g)(2) of the Internal Revenue Code of 1986 is amended  
8 by adding at the end the following new sentence: “In the  
9 case of a project with respect to which the taxpayer elects  
10 the requirements of subparagraph (C) of paragraph (1),  
11 or the portion of a project to which subsection (d)(5)(C)  
12 applies, clause (i) shall not apply with respect to any ten-  
13 ant-based assistance (as defined in section 8(f)(7) of the  
14 United States Housing Act of 1937 (42 U.S.C.  
15 1437f(f)(7))).”.

16 (b) EFFECTIVE DATE.—The amendments made by  
17 this section shall apply to rent paid in taxable years begin-  
18 ning after December 31, 2023.

19 **SEC. 205. REQUIREMENT THAT LOW-INCOME HOUSING**  
20 **CREDIT-SUPPORTED HOUSING PROTECT VIC-**  
21 **TIMS OF DOMESTIC ABUSE.**

22 (a) IN GENERAL.—Subparagraph (B) of section  
23 42(h)(6) of the Internal Revenue Code of 1986 is amended  
24 by striking “and” at the end of clause (v), by striking the

1 period at the end of clause (vi) and inserting “, and”, and  
2 by adding at the end the following new clause:

3 “(vii) which—

4 “(I) prohibits the refusal to lease  
5 to, or termination of a lease by, a per-  
6 son solely on the basis of criminal ac-  
7 tivity directly relating to domestic vio-  
8 lence, dating violence, sexual assault,  
9 or stalking that is engaged in by a  
10 member of the household of the ten-  
11 ant or any guest or other person  
12 under the control of the tenant, if the  
13 tenant or an affiliated individual of  
14 the tenant is the victim or threatened  
15 victim of such domestic violence, dat-  
16 ing violence, sexual assault, or stalk-  
17 ing, and

18 “(II) allows prospective, present,  
19 or former occupants of the building  
20 the right to enforce in any State court  
21 the prohibition of subclause (I).”.

22 (b) BIFURCATION.—

23 (1) IN GENERAL.—Subparagraph (B) of section  
24 42(h)(6) of the Internal Revenue Code of 1986, as

1 amended by subsection (a), is further amended by  
2 adding at the end the following new flush sentence:

3 “For purposes of clause (vii)(I), rules similar to  
4 the rules of section 41411(b)(3)(B) of the Vio-  
5 lence Against Women Act of 1994 shall apply  
6 with respect to the owner or manager of a  
7 building.”.

8 (2) EFFECT OF BIFURCATION.—Paragraph (2)  
9 of section 42(g) of such Code is amended by adding  
10 at the end the following new subparagraph:

11 “(F) TREATMENT OF BIFURCATION IN  
12 CASES OF DOMESTIC VIOLENCE.—In any case  
13 in which—

14 “(i) an occupant is evicted or removed  
15 from a low-income unit because such occu-  
16 pant has engaged in criminal activity di-  
17 rectly relating to domestic violence, dating  
18 violence, sexual assault, or stalking against  
19 an affiliated individual or other individual  
20 on the basis of criminal activity directly re-  
21 lating to domestic violence, dating violence,  
22 sexual assault, or stalking, and

23 “(ii) the lease on such unit is bifur-  
24 cated as provided in the last sentence of  
25 subsection (h)(6)(B),

1           then the remaining occupants of such low-in-  
2           come unit shall not be treated as a new tenant  
3           for purposes of this section.”.

4           (c) CLARIFICATION OF GENERAL PUBLIC USE RE-  
5           QUIREMENT.—Paragraph (9) of section 42(g) of the Inter-  
6           nal Revenue Code of 1986 is amended by striking “or”  
7           at the end of subparagraph (B), by striking the period  
8           at the end of subparagraph (C) and inserting “, or”, and  
9           by adding at the end the following new subparagraph:

10                   “(D) who are victims or threatened victims  
11                   of criminal activity directly relating to domestic  
12                   violence, dating violence, sexual assault, or  
13                   stalking.”.

14           (d) EFFECTIVE DATES.—

15                   (1) IN GENERAL.—Except as provided in para-  
16                   graph (2), the amendments made by this section  
17                   shall apply to agreements executed or modified on or  
18                   after the date that is 30 days after the date of the  
19                   enactment of this Act.

20                   (2) PUBLIC USE REQUIREMENT.—The amend-  
21                   ments made by subsection (c) shall apply to build-  
22                   ings placed in service before, on, or after the date  
23                   of the enactment of this Act.



1 **SEC. 206. CLARIFICATION OF GENERAL PUBLIC USE RE-**  
2 **QUIREMENT RELATING TO VETERANS, ETC.**

3 (a) **IN GENERAL.**—Paragraph (9) of section 42(g) of  
4 the Internal Revenue Code of 1986, as amended by section  
5 205, is further amended by adding at the end the following  
6 flush language:

7 “Any veteran of the Armed Forces shall be treated  
8 as a member of a specified group under a Federal  
9 program for purposes of subparagraph (B).”.

10 (b) **QUALIFIED RESIDENTIAL RENTAL PROJECTS.**—  
11 Paragraph (2) of section 142(d) of the Internal Revenue  
12 Code of 1986 is amended by adding at the end the fol-  
13 lowing new subparagraph:

14 “(F) **CLARIFICATION OF GENERAL PUBLIC**  
15 **USE REQUIREMENT.**—A unit shall not fail to  
16 meet the general public use requirement solely  
17 because of occupancy restrictions or pref-  
18 erences, if such restrictions or preferences meet  
19 the general public use requirement of section  
20 42.”.

21 (c) **EFFECTIVE DATES.**—

22 (1) **IN GENERAL.**—The amendment made by  
23 subsection (a) shall apply to buildings placed in serv-  
24 ice before, on, or after the date of the enactment of  
25 this Act.

1           (2)    QUALIFIED    RESIDENTIAL    RENTAL  
2    PROJECTS.—The amendment made by subsection (b)  
3    shall apply to bonds issued before, on, or after the  
4    date of the enactment of this Act.

5    **TITLE III—RULES RELATING TO**  
6    **CREDIT ELIGIBILITY AND DE-**  
7    **TERMINATION**

8    **SEC. 301. RECONSTRUCTION OR REPLACEMENT PERIOD**  
9                   **AFTER CASUALTY LOSS.**

10           (a) NO RECAPTURE FOLLOWING CASUALTY LOSS.—  
11    Subparagraph (E) of section 42(j)(4) of the Internal Rev-  
12    enue Code of 1986 is amended to read as follows:

13                   “(E) NO RECAPTURE BY REASON OF CAS-  
14                   UALTY LOSS.—

15                           “(i) IN GENERAL.—The increase in  
16                           tax under this subsection shall not apply to  
17                           a reduction in qualified basis by reason of  
18                           a casualty loss to the extent such loss is  
19                           restored by reconstruction or replacement  
20                           within a reasonable period established by  
21                           the applicable housing credit agency, not to  
22                           exceed 25 months from the date on which  
23                           the qualified casualty loss arises.

24                           “(ii) QUALIFIED CASUALTY LOSSES.—  
25                           In the case of a qualified casualty loss, the

1 period described in clause (i) may be ex-  
2 tended, but not in excess of 12 months, if  
3 the applicable housing credit agency deter-  
4 mines the qualified casualty arose by rea-  
5 son of an event which was not discrete to  
6 the building and which made a reconstruc-  
7 tion or replacement within 25 months im-  
8 practical. In the event the applicable hous-  
9 ing credit agency determines a period in  
10 excess of 25 months is necessary for such  
11 reconstruction or replacement, the compli-  
12 ance period shall be increased by any such  
13 additional time.

14 “(iii) APPLICATION.—The determina-  
15 tion under paragraph (1) shall not be  
16 made with respect to a property the basis  
17 of which is affected by a qualified casualty  
18 loss until the period described in clause (i)  
19 (as modified by clause (ii), if applicable)  
20 with respect to such property has expired.

21 “(iv) QUALIFIED CASUALTY LOSS.—  
22 For purposes of this subparagraph, the  
23 term ‘qualified casualty loss’ means a cas-  
24 ualty loss that is the result of a Federally

1           declared disaster (as defined in section  
2           165(i)(5)).”.

3           (b) QUALIFIED BASIS FOLLOWING CASUALTY  
4 LOSS.—Paragraph (1) of section 42(c) of the Internal  
5 Revenue Code of 1986 is amended by adding at the end  
6 the following new subparagraph:

7           “(F) QUALIFIED BASIS FOLLOWING CAS-  
8 UALTY LOSS.—If a casualty causes the qualified  
9 basis of a building in any year to be less than  
10 the qualified basis in the immediately preceding  
11 year then, in the year of such casualty and each  
12 succeeding year until such building or the units  
13 affected by the casualty are reconstructed or re-  
14 placed (but only through the last year of the pe-  
15 riod permitted for reconstruction or replace-  
16 ment under subsection (j)(4)(E))—

17           “(i) the qualified basis of such build-  
18 ing shall be equal to the qualified basis of  
19 such building as of the last day of the year  
20 preceding the year in which such casualty  
21 occurred,

22           “(ii) if such building is not recon-  
23 structed or replaced by the expiration of  
24 the applicable period for such reconstruc-  
25 tion or replacement under subsection

1 (j)(4), then the recapture amount provided  
2 for in subsection (j)(1) shall include the  
3 amount of any credit claimed under this  
4 section by reason of the application of  
5 clause (i), and

6 “(iii) a building which was a qualified  
7 low-income building as of the last day of  
8 the year preceding the year in which such  
9 casualty occurred shall not cease to be a  
10 qualified low-income building solely be-  
11 cause of such casualty.”.

12 (c) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to casualties occurring after the  
14 date which is 25 months before the date of the enactment  
15 of this Act.

16 **SEC. 302. MODIFICATION OF PREVIOUS OWNERSHIP RULES;**  
17 **LIMITATION ON ACQUISITION BASIS.**

18 (a) IN GENERAL.—Clause (ii) of section 42(d)(2)(B)  
19 of the Internal Revenue Code of 1986 is amended by in-  
20 serting “, or the taxpayer elects the application of sub-  
21 paragraph (C)(ii)” after “service”.

22 (b) LIMITATION ON ACQUISITION BASIS.—Subpara-  
23 graph (C) of section 42(d)(2) of the Internal Revenue  
24 Code of 1986 is amended—

1           (1) by striking “For purposes of subparagraph  
2           (A), the adjusted basis” and inserting “For pur-  
3           poses of subparagraph (A)—

4                       “(i) IN GENERAL.—The adjusted  
5                       basis”, and

6           (2) by adding at the end the following new  
7           clauses:

8                       “(ii) BUILDINGS IN SERVICE WITHIN  
9                       PREVIOUS 10 YEARS.—If the period be-  
10                      tween the date of acquisition of the build-  
11                      ing by the taxpayer and the date the build-  
12                      ing was last placed in service is less than  
13                      10 years, the taxpayer’s basis attributable  
14                      to the acquisition of the building which is  
15                      taken into account in determining the ad-  
16                      justed basis shall not exceed the sum of—

17                               “(I) the lowest amount paid for  
18                               acquisition of the building by any per-  
19                               son during the 10 years preceding the  
20                               date of the acquisition of the building  
21                               by the taxpayer, adjusted as provided  
22                               in clause (iii), and

23                               “(II) the value of any capital im-  
24                               provements made by the person who  
25                               sells the building to the taxpayer

1                   which are reflected in such seller's  
2                   basis.

3                   “(iii) ADJUSTMENT.—With respect to  
4                   a basis determination made in any taxable  
5                   year, the amount described in clause (ii)(I)  
6                   shall be increased by an amount equal to—

7                                 “(I) such amount, multiplied by  
8                                 “(II) a cost-of-living adjustment,  
9                                 determined in the same manner as  
10                                under section 1(f)(3) for the calendar  
11                               year in which the taxable year begins  
12                               by taking into account the acquisition  
13                               year in lieu of calendar year 1992.

14                   For purposes of the preceding sentence,  
15                   the acquisition year is the calendar year in  
16                   which the lowest amount referenced in  
17                   clause (ii)(I) was paid for the acquisition  
18                   of the building.”.

19                   (c) CONFORMING AMENDMENTS.—Clause (i) of sec-  
20                   tion 42(d)(2)(D) of the Internal Revenue Code of 1986  
21                   is amended—

22                               (1) by striking “FOR SUBPARAGRAPH (B)” in  
23                   the heading, and

1           (2) by striking “subparagraph (B)(ii)” in the  
2           matter preceding subclause (I) and inserting “sub-  
3           paragraph (B)(ii) or (C)(ii)”.

4           (d) **MODIFICATION OF PLACED IN SERVICE RULE.**—  
5           Clause (iii) of section 42(d)(2)(B) of the Internal Revenue  
6           Code of 1986 is amended to read as follows:

7                         “(iii) the building was not owned by  
8                         the taxpayer or by any person related (as  
9                         of the date of acquisition by the taxpayer)  
10                        to the taxpayer at any time during the 5-  
11                        year period ending on the date of acquisi-  
12                        tion by the taxpayer, and”.

13           (e) **EFFECTIVE DATE.**—The amendments made by  
14           this section shall apply to buildings placed in service after  
15           December 31, 2022.

16           **SEC. 303. CERTAIN RELOCATION COSTS TAKEN INTO AC-**  
17                         **COUNT AS REHABILITATION EXPENDITURES.**

18           (a) **IN GENERAL.**—Paragraph (2) of section 42(e) of  
19           the Internal Revenue Code of 1986 is amended by adding  
20           at the end the following new subparagraph:

21                         “(C) **CERTAIN RELOCATION COSTS.**—In  
22                         the case of a rehabilitation of a building to  
23                         which section 280B does not apply, costs relat-  
24                         ing to the relocation of occupants, including—

25                                 “(i) amounts paid to occupants,



1                   “(ii) amounts paid to third parties for  
2                   services relating to such relocation, and  
3                   “(iii) amounts paid for temporary  
4                   housing for occupants,  
5                   shall be treated as chargeable to capital account  
6                   and taken into account as rehabilitation ex-  
7                   penditures.”.

8           (b) **EFFECTIVE DATE.**—The amendment made by  
9 this section shall apply to expenditures paid or incurred  
10 after December 31, 2022.

11          (c) **NO INFERENCE.**—Nothing in the amendment  
12 made by this section shall be construed to create any infer-  
13 ence with respect to the treatment of relocation costs paid  
14 or incurred before December 31, 2022.

15 **SEC. 304. REPEAL OF QUALIFIED CENSUS TRACT POPU-**  
16 **LATION CAP.**

17          (a) **IN GENERAL.**—Clause (ii) of section 42(d)(5)(B)  
18 of the Internal Revenue Code of 1986 is amended—

19               (1) by striking subclauses (II) and (III), and

20               (2) by striking “**QUALIFIED CENSUS TRACT.**—

21                               “(I) **IN GENERAL.**—The term”,

22               and inserting “**QUALIFIED CENSUS TRACT.**—The  
23               term”.

24          (b) **EFFECTIVE DATE.**—The amendments made by  
25 this section shall apply to designations of qualified census

1 tracts under section 42(d)(5)(B)(ii) of the Internal Rev-  
2 enue Code of 1986 after December 31, 2023.

3 **SEC. 305. DETERMINATION OF COMMUNITY REVITALIZA-**  
4 **TION PLAN TO BE MADE BY HOUSING CREDIT**  
5 **AGENCY.**

6 (a) IN GENERAL.—Subclause (III) of section  
7 42(m)(1)(B)(ii) of the Internal Revenue Code of 1986 is  
8 amended by inserting “, as determined by the housing  
9 credit agency according to criteria established by such  
10 agency,” after “(d)(5)(B)(ii) and”.

11 (b) CRITERIA.—Paragraph (1) of section 42(m) of  
12 the Internal Revenue Code of 1986 is amended by adding  
13 at the end the following new subparagraph:

14 “(E) CRITERIA FOR DETERMINATION RE-  
15 LATING TO CONCERTED COMMUNITY REVITAL-  
16 IZATION PLAN.—For purposes of subparagraph  
17 (B)(ii)(III), the criteria which shall be estab-  
18 lished by a housing credit agency for deter-  
19 mining whether the development of a project  
20 contributes to a concerted community develop-  
21 ment plan shall take into account any factors  
22 the agency deems appropriate, including the ex-  
23 tent to which the proposed plan—

24 “(i) is geographically specific,

1 “(ii) outlines a clear plan for imple-  
2 mentation and goals for outcomes,

3 “(iii) includes a strategy for applying  
4 for or obtaining commitments of public or  
5 private investment (or both) in nonhousing  
6 infrastructure, amenities, or services, and

7 “(iv) demonstrates the need for com-  
8 munity revitalization.”.

9 (c) EFFECTIVE DATE.—The amendments made by  
10 this section shall apply to allocations of housing credit dol-  
11 lar amounts made under qualified allocation plans (as de-  
12 fined in section 42(m)(1)(B) of the Internal Revenue Code  
13 of 1986) adopted after December 31, 2023.

14 **SEC. 306. PROHIBITION OF LOCAL APPROVAL AND CON-**  
15 **TRIBUTION REQUIREMENTS.**

16 (a) IN GENERAL.—Paragraph (1) of section 42(m)  
17 of the Internal Revenue Code of 1986, as amended by sec-  
18 tion 305, is further amended—

19 (1) by striking clause (ii) of subparagraph (A)  
20 and by redesignating clauses (iii) and (iv) thereof as  
21 clauses (ii) and (iii), and

22 (2) by adding at the end the following new sub-  
23 paragraph:

24 “(F) LOCAL APPROVAL OR CONTRIBUTION  
25 NOT TAKEN INTO ACCOUNT.—The selection cri-

1           teria under a qualified allocation plan shall not  
2           include consideration of—

3                   “(i) any support or opposition with re-  
4                   spect to the project from local or elected  
5                   officials, or

6                   “(ii) any local government contribu-  
7                   tion to the project, except to the extent  
8                   such contribution is taken into account as  
9                   part of a broader consideration of the  
10                  project’s ability to leverage outside funding  
11                  sources, and is not prioritized over any  
12                  other source of outside funding.”.

13           (b) **EFFECTIVE DATE.**—The amendments made by  
14 this section shall apply to allocations of housing credit dol-  
15 lar amounts made under qualified allocation plans (as de-  
16 fined in section 42(m)(1)(B) of the Internal Revenue Code  
17 of 1986) adopted after December 31, 2023.

18 **SEC. 307. INCREASE IN CREDIT FOR CERTAIN PROJECTS**  
19 **DESIGNATED TO SERVE EXTREMELY LOW-IN-**  
20 **COME HOUSEHOLDS.**

21           (a) **IN GENERAL.**—Paragraph (5) of section 42(d) of  
22 the Internal Revenue Code of 1986 is amended by adding  
23 at the end the following new subparagraph:

24                   “(C) **INCREASE IN CREDIT FOR PROJECTS**  
25 **DESIGNATED TO SERVE EXTREMELY LOW-IN-**

1           COME HOUSEHOLDS.—In the case of any build-  
2           ing—

3                   “(i) 20 percent or more of the resi-  
4                   dential units (determined as if the imputed  
5                   income limitation applicable to such units  
6                   were 30 percent of area median gross in-  
7                   come) in which are designated by the tax-  
8                   payer for occupancy by households the ag-  
9                   gregate household income of which does  
10                  not exceed the greater of—

11                           “(I) 30 percent of area median  
12                           gross income, or

13                           “(II) 100 percent of an amount  
14                           equal to the Federal poverty line  
15                           (within the meaning of section  
16                           36B(d)(3)), and

17                           “(ii) which is designated by the hous-  
18                           ing credit agency as requiring the increase  
19                           in credit under this subparagraph in order  
20                           for such building to be financially feasible  
21                           as part of a qualified low-income housing  
22                           project,

23                  subparagraph (B) shall not apply to the portion  
24                  of such building which is comprised of such  
25                  units (determined in a manner similar to the

1 unit fraction under subsection (c)(1)(C), and  
2 the eligible basis of such portion of the building  
3 shall be 150 percent of such basis determined  
4 without regard to this subparagraph.”.

5 (b) **EFFECTIVE DATE.**—The amendment made by  
6 this section shall apply to buildings which receive alloca-  
7 tions of housing credit dollar amount after the date of en-  
8 actment of this Act, or in the case of buildings that are  
9 described in section 42(h)(4)(B) of the Internal Revenue  
10 Code of 1986, for obligations that are part of an issue  
11 the issue date of which is after December 31, 2023.

12 **SEC. 308. INCREASE IN CREDIT FOR BOND-FINANCED**  
13 **PROJECTS DESIGNATED BY STATE AGENCY.**

14 (a) **IN GENERAL.**—Clause (v) of section 42(d)(5)(B)  
15 of the Internal Revenue Code of 1986 is amended by strik-  
16 ing the second sentence.

17 (b) **TECHNICAL AMENDMENT.**—Clause (v) of section  
18 42(d)(5)(B) of the Internal Revenue Code of 1986, as  
19 amended by subsection (a), is further amended—

20 (1) by striking “STATE” in the heading, and  
21 (2) by striking “State housing credit agency”  
22 and inserting “housing credit agency”.

23 (c) **EFFECTIVE DATE.**—The amendments made by  
24 this section shall apply to buildings that are described in  
25 section 42(h)(4)(B) of the Internal Revenue Code of 1986,

1 taking into account only obligations that are part of an  
2 issue the issue date of which is after December 31, 2023.

3 **SEC. 309. ELIMINATION OF BASIS REDUCTION FOR LOW-IN-**  
4 **COME HOUSING PROPERTIES ENERGY EFFI-**  
5 **CIENT COMMERCIAL BUILDING DEDUCTION.**

6 (a) ENERGY EFFICIENT COMMERCIAL BUILDINGS  
7 DEDUCTION.—Subsection (e) of section 179D of the In-  
8 ternal Revenue Code of 1986 is amended—

9 (1) by striking “REDUCTION.—For purposes”  
10 and inserting “REDUCTION.—

11 “(1) IN GENERAL.—For purposes”, and

12 (2) by adding at the end the following new  
13 paragraph:

14 “(2) EXCEPTION FOR AFFORDABLE HOUSING  
15 PROPERTIES.—Paragraph (1) shall not apply for  
16 purposes of determining eligible basis under section  
17 42.”.

18 (b) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to buildings which receive alloca-  
20 tions of housing credit dollar amount after the date of the  
21 enactment of this Act and to buildings that are described  
22 in section 42(h)(4)(B) of the Internal Revenue Code of  
23 1986 taking into account only obligations that are part  
24 of an issue the issue date of which is after December 31,  
25 2023.

1 **SEC. 310. RESTRICTION OF PLANNED FORECLOSURES.**

2 (a) IN GENERAL.—Subclause (I) of section  
3 42(h)(6)(E)(i) of the Internal Revenue Code of 1986 is  
4 amended to read as follows:

5 “(I) on the 61st day after the  
6 taxpayer (or a successor in interest)  
7 provides notice to the Secretary and  
8 the housing credit agency that the  
9 building has been acquired by fore-  
10 closure (or instrument in lieu of fore-  
11 closure) and that the taxpayer intends  
12 the termination of such period, unless,  
13 before such date, the Secretary or the  
14 housing credit agency determines that  
15 such acquisition is part of an arrange-  
16 ment with the taxpayer a purpose of  
17 which is to terminate such period,  
18 or”.

19 (b) CONFORMING AMENDMENT.—The second sen-  
20 tence of clause (i) of section 42(h)(6)(E) of the Internal  
21 Revenue Code of 1986 is amended by striking “Subclause  
22 (II)” and inserting “Subclauses (I) and (II)”.

23 (c) EFFECTIVE DATE.—The amendments made by  
24 this section shall apply to acquisitions by foreclosure (or  
25 instrument in lieu of foreclosure) after December 31,  
26 2022.



1 **SEC. 311. INCREASE OF POPULATION CAP FOR DIFFICULT**  
2 **DEVELOPMENT AREAS.**

3 (a) IN GENERAL.—Subclause (II) of section  
4 42(d)(5)(B)(iii) of the Internal Revenue Code of 1986 is  
5 amended by striking “20 percent” and inserting “30 per-  
6 cent”.

7 (b) EFFECTIVE DATE.—The amendment made by  
8 this section shall apply to designations made under section  
9 42(d)(5)(B)(iii) of the Internal Revenue Code of 1986  
10 after December 31, 2023.

11 **SEC. 312. INCREASED COST OVERSIGHT AND ACCOUNT-**  
12 **ABILITY.**

13 (a) IN GENERAL.—Subparagraph (C) of section  
14 42(m)(1) of the Internal Revenue Code of 1986 is amend-  
15 ed by striking “and” at the end of clause (ix), by striking  
16 the period at the end of clause (x) and inserting “, and”,  
17 and by adding at the end the following new clause:

18 “(xi) the reasonableness of the devel-  
19 opment costs of the project.”.

20 (b) EFFECTIVE DATE.—The amendments made by  
21 this section shall apply to allocations of credits under sec-  
22 tion 42 of the Internal Revenue Code of 1986 made after  
23 December 31, 2023.

24 **SEC. 313. TAX-EXEMPT BOND FINANCING REQUIREMENT.**

25 (a) IN GENERAL.—Subparagraph (B) of section  
26 42(h)(4) of the Internal Revenue Code of 1986 is amended

1 by adding at the end the following new sentence: “In the  
2 case of buildings financed by an obligation first taken into  
3 account under section 146 in calendar years beginning  
4 after the date of the enactment of the Affordable Housing  
5 Credit Improvement Act of 2023, the preceding sentence  
6 shall be applied by substituting ‘25 percent’ for ‘50 per-  
7 cent’.”.

8 (b) EFFECTIVE DATE.—The amendment made by  
9 this section shall apply to any building some portion of  
10 which, or of the land on which the building is located, is  
11 financed by an obligation which is described in section  
12 42(h)(4)(A) of the Internal Revenue Code of 1986 and  
13 which is part of an issue the issue date of which is after  
14 December 31, 2023.

15 **TITLE IV—REFORMS RELATING**  
16 **TO NATIVE AMERICAN AS-**  
17 **SISTANCE**

18 **SEC. 401. SELECTION CRITERIA UNDER QUALIFIED ALLO-**  
19 **CATION PLANS.**

20 (a) IN GENERAL.—Subparagraph (C) of section  
21 42(m)(1) of the Internal Revenue Code of 1986, as  
22 amended by section 312, is further amended by striking  
23 “and” at the end of clause (x), by striking the period at  
24 the end of clause (xi) and inserting “, and”, and by adding  
25 at the end the following new clause:

1 “(xii) the affordable housing needs of  
2 individuals in the State who are—

3 “(I) enrolled members of a tribe  
4 with respect to an Indian tribal gov-  
5 ernment (including any agencies or in-  
6 strumentalities of an Indian tribal  
7 government and any Alaska Native re-  
8 gional or village corporation, as de-  
9 fined in, or established pursuant to,  
10 the Alaska Native Claims Settlement  
11 Act (43 U.S.C. 1601 et seq.), or

12 “(II) described in section 801(9)  
13 of the Native American Housing As-  
14 sistance and Self-Determination Act  
15 of 1996 (25 U.S.C. 4221(9)).”.

16 (b) EFFECTIVE DATE.—The amendments made by  
17 this section shall apply to allocations of credits under sec-  
18 tion 42 of the Internal Revenue Code of 1986 made after  
19 December 31, 2023.

20 **SEC. 402. INCLUSION OF INDIAN AREAS AS DIFFICULT DE-**  
21 **VELOPMENT AREAS FOR PURPOSES OF CER-**  
22 **TAIN BUILDINGS.**

23 (a) IN GENERAL.—Subclause (I) of section  
24 42(d)(5)(B)(iii) of the Internal Revenue Code of 1986 is

1 amended by inserting before the period the following: “,  
2 and any Indian area”.

3 (b) INDIAN AREA.—Clause (iii) of section  
4 42(d)(5)(B) of the Internal Revenue Code of 1986 is  
5 amended by redesignating subclause (II) as subclause  
6 (III) and by inserting after subclause (I) the following new  
7 subclause:

8 “(II) INDIAN AREA.—For pur-  
9 poses of subclause (I), the term ‘In-  
10 dian area’ means any Indian area (as  
11 defined in section 4(11) of the Native  
12 American Housing Assistance and  
13 Self Determination Act of 1996 (25  
14 U.S.C. 4103(11))) and any housing  
15 area (as defined in section 801(5) of  
16 such Act (25 U.S.C. 4221(5))).”.

17 (c) ELIGIBLE BUILDINGS.—Clause (iii) of section  
18 42(d)(5)(B) of the Internal Revenue Code of 1986, as  
19 amended by subsection (b), is further amended by adding  
20 at the end the following new subclause:

21 “(IV) SPECIAL RULE FOR BUILD-  
22 INGS IN INDIAN AREAS.—In the case  
23 of an area which is a difficult develop-  
24 ment area solely because it is an In-  
25 dian area, a building shall not be

1 treated as located in such area unless  
2 such building is assisted or financed  
3 under the Native American Housing  
4 Assistance and Self Determination  
5 Act of 1996 (25 U.S.C. 4101 et seq.)  
6 or the project sponsor is an Indian  
7 tribe (as defined in section  
8 45A(c)(6)), a tribally designated hous-  
9 ing entity (as defined in section 4(22)  
10 of such Act (25 U.S.C. 4103(22))), or  
11 wholly owned or controlled by such an  
12 Indian tribe or tribally designated  
13 housing entity.”.

14 (d) EFFECTIVE DATE.—The amendments made by  
15 this section shall apply to buildings placed in service after  
16 December 31, 2023.

17 **TITLE V—REFORMS RELATING**  
18 **TO RURAL ASSISTANCE**

19 **SEC. 501. INCLUSION OF RURAL AREAS AS DIFFICULT DE-**  
20 **VELOPMENT AREAS.**

21 (a) IN GENERAL.—Subclause (I) of section  
22 42(d)(5)(B)(iii) of the Internal Revenue Code of 1986, as  
23 amended by section 402, is further amended by inserting  
24 “, any rural area” after “median gross income”.

1 (b) RURAL AREA.—Clause (iii) of section  
2 42(d)(5)(B) of the Internal Revenue Code of 1986, as  
3 amended by section 402, is further amended by redesi-  
4 gnating subclause (III) as subclause (IV) and by inserting  
5 after subclause (II) the following new subclause:

6 “(III) RURAL AREA.—For pur-  
7 poses of subclause (I), the term ‘rural  
8 area’ means any non-metropolitan  
9 area, or any rural area as defined by  
10 section 520 of the Housing Act of  
11 1949, which is identified by the quali-  
12 fied allocation plan under subsection  
13 (m)(1)(B).”.

14 (c) EFFECTIVE DATE.—The amendments made by  
15 this section shall apply to buildings placed in service after  
16 December 31, 2023.

17 **SEC. 502. UNIFORM INCOME ELIGIBILITY FOR RURAL**  
18 **PROJECTS.**

19 (a) IN GENERAL.—Paragraph (8) of section 42(i) of  
20 the Internal Revenue Code of 1986 is amended by striking  
21 the second sentence.

22 (b) EFFECTIVE DATE.—The amendment made by  
23 this section shall apply to taxable years beginning after  
24 December 31, 2022.

1           **TITLE VI—EXEMPT FACILITY**  
2                                   **BONDS**

3   **SEC. 601. REVISION AND CLARIFICATION OF THE TREAT-**  
4                                   **MENT OF REFUNDING ISSUES.**

5           (a) IN GENERAL.—Subparagraph (A) of section  
6 146(i)(6) of the Internal Revenue Code of 1986 is amend-  
7 ed to read as follows:

8                           “(A) IN GENERAL.—During the 12-month  
9                           period beginning on the date of a repayment of  
10                           a loan financed by an issue 95 percent or more  
11                           of the net proceeds of which are used to provide  
12                           projects described in section 142(d), if such re-  
13                           payment is used to provide a new loan for any  
14                           project described in section 142(a)(7) or for  
15                           any purpose described in subsection (a)(2)(A)  
16                           or (b) of section 143, any bond which is issued  
17                           to refinance such issue shall be treated as a re-  
18                           funding issue. Any issue treated as a refunding  
19                           issue by reason of the preceding sentence shall  
20                           be so treated only to the extent the principal  
21                           amount of such refunding issue does not exceed  
22                           the principal amount of the bonds refunded.”.

23           (b) REMOVAL OF ONE-REFUNDING LIMIT.—Sub-  
24 paragraph (B) of section 146(i)(6) of the Internal Rev-  
25 enue Code of 1986 is amended—

1           (1) by striking “4 years” in clause (i) and in-  
2           serting “10 years”,

3           (2) by striking “was issued” in clause (ii) and  
4           inserting “is issued”,

5           (3) by redesignating clauses (i) (as so amend-  
6           ed), (ii) (as so amended), and (iii) as subclauses (I),  
7           (II), and (III), respectively, and by moving such sub-  
8           clauses 2 ems to the right,

9           (4) by striking “LIMITATIONS.—Subparagraph  
10          (A) shall apply to only one refunding of the original  
11          issue and” and inserting “LIMITATIONS.—

12                           “(i) IN GENERAL.—Subparagraph (A)  
13                           shall apply to a bond”, and

14          (5) by adding at the end the following new  
15          clause:

16                           “(ii) SOURCE OF LOAN REPAY-  
17                           MENT.—Subparagraph (A) shall not apply  
18                           to any repayment of a loan which is—

19   “(I) made by a repayment of an-  
20   other loan, or

21   “(II) financed by an issue treated  
22   as a refunding issue under subpara-  
23   graph (A).”.

24          (c) CONFORMING AMENDMENT.—The heading of  
25          paragraph (6) of section 146(i) of the Internal Revenue



1 Code of 1986 is amended by striking “RESIDENTIAL  
2 RENTAL PROJECT BONDS AS REFUNDING BONDS IRRE-  
3 SPECTIVE OF OBLIGOR” and inserting “BONDS AS RE-  
4 FUNDING BONDS”.

5 (d) EFFECTIVE DATES.—

6 (1) IN GENERAL.—The amendments made by  
7 subsections (a) and (c) shall apply to refunding  
8 issues described in section 146(i)(6)(A) of the Inter-  
9 nal Revenue Code of 1986 issued on or after the  
10 date of the enactment of this Act.

11 (2) REMOVAL OF ONE-REFUNDING LIMIT.—The  
12 amendments made by subsection (b) shall apply to  
13 repayments of loans received after July 30, 2008.

14 **TITLE VII—AFFORDABLE**  
15 **HOUSING TAX CREDIT**

16 **SEC. 701. AFFORDABLE HOUSING TAX CREDIT.**

17 (a) IN GENERAL.—The heading of section 42 of the  
18 Internal Revenue Code of 1986 is amended by striking  
19 “**LOW-INCOME**” and inserting “**AFFORDABLE**”.

20 (b) CONFORMING AMENDMENTS.—

21 (1) Subsection (a) of section 42 of the Internal  
22 Revenue Code of 1986 is amended by striking “low-  
23 income” and inserting “affordable”.

1 (2) Paragraph (5) of section 38(b) of such Code  
2 is amended by striking “low-income” and inserting  
3 “affordable”.

4 (3) The heading of subparagraph (D) of section  
5 469(i)(3) of such Code is amended by striking  
6 “LOW-INCOME” and inserting “AFFORDABLE”.

7 (4) The heading of subparagraph (B) of section  
8 469(i)(6) of such Code is amended by striking  
9 “LOW-INCOME” and inserting “AFFORDABLE”.

10 (5) Paragraph (7) of section 772(a) of such  
11 Code is amended by striking “low-income” and in-  
12 serting “affordable”.

13 (6) Paragraph (5) of section 772(d) of such  
14 Code is amended by striking “low-income” and in-  
15 serting “affordable”.

16 (c) CLERICAL AMENDMENT.—The item relating to  
17 section 42 in the table of sections for subpart D of part  
18 IV of subchapter A of chapter 1 of the Internal Revenue  
19 Code of 1986 is amended to read as follows:

“Sec. 42. Affordable housing credit.”.

20 **TITLE VIII—DATA AND**  
21 **TRANSPARENCY**

22 **SEC. 801. SENSE OF CONGRESS.**

23 It is the sense of Congress that in addition to expand-  
24 ing and strengthening the affordable housing credit  
25 through the provisions in the Affordable Housing Credit

1 Improvement Act of 2023, subsequent steps should also  
2 be taken to share data and identify other ways to increase  
3 the transparency of the program, and the House of Rep-  
4 resentatives and the Senate should work together with  
5 Federal agencies to identify data sources that can be  
6 shared.