

119TH CONGRESS
1ST SESSION

H. R. 308

To amend the Internal Revenue Code of 1986 to provide tax incentives
for rental housing for members of the Armed Forces.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 9, 2025

Mr. MOORE of Utah (for himself and Ms. STRICKLAND) 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
tax incentives for rental housing for members of the
Armed Forces.

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; SENSE OF CONGRESS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Low Income Housing for Defense Communities Act”.

6 (b) SENSE OF CONGRESS.—It is the sense of Con-
7 gress that in addition to expanding and strengthening the
8 affordable housing credit for active duty military members
9 through the provisions in the Low Income Housing for De-
10 fense Communities Act, further steps should be taken to

1 drive investment into affordable housing projects in the
 2 United States and boost overall housing supply for work-
 3 ers and families in the United States, such as the Afford-
 4 able Housing Credit Improvement Act of 2023.

5 **SEC. 2. TAX INCENTIVES FOR RENTAL HOUSING FOR MEM-**
 6 **BERS OF THE ARMED FORCES.**

7 (a) MILITARY BASIC HOUSING ALLOWANCE NOT
 8 TAKEN INTO ACCOUNT IN APPLYING CERTAIN INCOME
 9 RESTRICTIONS ON RESIDENTIAL RENTAL PROJECTS.—

10 (1) LOW-INCOME HOUSING TAX CREDIT.—Sec-
 11 tion 42(i) of the Internal Revenue Code of 1986 is
 12 amended by adding at the end the following new
 13 paragraph:

14 “(10) INCOME DETERMINED WITHOUT REGARD
 15 TO MILITARY BASIC HOUSING ALLOWANCE.—Pay-
 16 ments under section 403 of title 37, United States
 17 Code, as a basic pay allowance for housing shall not
 18 be taken into account in determining income for
 19 purposes of this section.”.

20 (2) TAX-EXEMPT BONDS FOR QUALIFIED RESI-
 21 DENTIAL RENTAL PROJECTS.—

22 (A) IN GENERAL.—Section 142(d)(2)(B)
 23 of such Code, as amended by subparagraph (B),
 24 is amended by inserting after clause (i) the fol-
 25 lowing new clause:

1 “(ii) INCOME DETERMINED WITHOUT
 2 REGARD TO MILITARY BASIS HOUSING AL-
 3 LOWANCE.—Payments under section 403
 4 of title 37, United States Code, as a basic
 5 pay allowance for housing shall not be
 6 taken into account in determining income
 7 for purposes of clause (i).”.

8 (B) REPEAL OF DEADWOOD.—Section
 9 142(d)(2)(B) of such Code is amended by strik-
 10 ing clauses (ii), (iii), and (iv).

11 (3) EFFECTIVE DATE.—The amendments made
 12 by this subsection shall apply to determinations
 13 made after the date of the enactment of this Act.

14 (b) INCREASE IN LOW-INCOME HOUSING CREDIT
 15 FOR BUILDINGS NEAR CERTAIN LARGE MILITARY IN-
 16 STALLATION.—

17 (1) IN GENERAL.—Section 42(d)(5)(B) of the
 18 Internal Revenue Code of 1986 is amended by add-
 19 ing at the end the following new clause:

20 “(vi) BUILDINGS NEAR CERTAIN
 21 LARGE MILITARY INSTALLATION.—

22 “(I) IN GENERAL.—Any building
 23 which is located within 15 miles of a
 24 large military installation shall be
 25 treated as located in a difficult devel-

1 opment area which is designated for
2 purposes of this subparagraph.

3 “(II) LARGE MILITARY INSTAL-
4 LATION.—For purposes of this clause,
5 the term ‘large military installation’
6 means any military installation with a
7 total plant replacement value (as de-
8 termined by the Secretary of the De-
9 fense) in excess of \$2,833,000,000.”.

10 (2) EFFECTIVE DATE.—The amendment made
11 by this subsection shall apply to buildings placed in
12 service after the date of the enactment of this Act.

13 (3) NO REQUIREMENT THAT BUILDINGS BE OC-
14 CUPIED SOLELY BY MEMBERS OF THE ARMED
15 FORCES.—Nothing in the amendment made by this
16 subsection shall be applied or interpreted to require
17 that buildings described in section 42(d)(5)(B)(vi) of
18 the Internal Revenue Code of 1986 (as added by
19 this section) be occupied solely by members of the
20 Armed Forces.

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