

111TH CONGRESS  
1ST SESSION

# H. R. 4133

To amend the Internal Revenue Code of 1986 to exempt public school rehabilitation from the tax-exempt use exception to the rehabilitation credit.

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IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 19, 2009

Mr. CANTOR (for himself and Mr. DAVIS of Alabama) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to exempt public school rehabilitation from the tax-exempt use exception to the rehabilitation credit.

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. EXEMPTION OF PUBLIC SCHOOL REHABILITA-**  
4 **TION FROM TAX-EXEMPT USE EXCEPTION TO**  
5 **REHABILITATION CREDIT.**

6 (a) IN GENERAL.—Clause (v) of section 47(c)(B) of  
7 the Internal Revenue Code of 1986 (relating to tax-exempt  
8 use property) is amended by adding at the end the fol-  
9 lowing new subclause:

1                   “(III) PUBLIC SCHOOLS.—Sub-  
2                   clause (I) shall not apply in the case  
3                   of a building which—

4                   “(aa) is tax-exempt use  
5                   property (as so defined),

6                   “(bb) before any qualified  
7                   rehabilitation expenditures were  
8                   incurred (determined after the  
9                   application of this subclause) was  
10                  used as a public school estab-  
11                  lished by and operated under the  
12                  supervision of an eligible local  
13                  education agency (as defined in  
14                  section 54E(d)(2)) to provide  
15                  education or training below the  
16                  postsecondary level, and

17                  “(cc) when such building is  
18                  first placed in service after such  
19                  expenditures are incurred, is rea-  
20                  sonably expected to be used as a  
21                  public school under the super-  
22                  vision of such eligible local edu-  
23                  cation agency.”.

24                  (b) EFFECTIVE DATE.—The amendment made by  
25                  subsection (a) shall apply to expenditures properly taken

1 into account for periods after the date of the enactment  
2 of this Act.

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