GAI25150 F56 S.L.C.

119TH CONGRESS 1ST SESSION	S.	

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

Mr. Daines (for himself, Mr. Warner, Mr. Boozman, Mr. Welch, Mr. Cassidy, Mr. Schumer, Mrs. Hyde-Smith, Mrs. Shaheen, Mr. Ricketts, Ms. Klobuchar, Mr. Moran, Ms. Cantwell, Mr. Wicker, Mr. Hickenlooper, Mrs. Blackburn, and Mr. Booker) introduced the following bill; which was read twice and referred to the Committee on

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 2025".
- 6 SEC. 2. PERMANENT EXTENSION OF NEW MARKETS TAX
- 7 CREDIT.
- 8 (a) Extension.—

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(1) In General.—Subparagraph (H) of section
45D(f)(1) of the Internal Revenue Code of 1986 is
amended by striking "for each of calendar years
2020 through 2025" and inserting "calendar year
2020 and each calendar year thereafter".
(2) Conforming Amendment.—Section
45D(f)(3) of such Code is amended by striking the
last sentence.
(b) Inflation Adjustment.—Subsection (f) of sec-
tion 45D of the Internal Revenue Code of 1986 is amend-
ed by adding at the end the following new paragraph:
"(4) Inflation adjustment.—
"(A) IN GENERAL.—In the case of any cal-
endar year beginning after 2025, the dollar
amount in paragraph (1)(H) shall be increased
by an amount equal to—
"(i) such dollar amount, multiplied by
"(ii) the cost-of-living adjustment de-
termined under section 1(f)(3) for the cal-
endar year, determined by substituting
'calendar year 2000' for 'calendar year
2016' in subparagraph (A)(ii) thereof.
"(B) ROUNDING RULE.—Any increase
under subparagraph (A) which is not a multiple

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1	of \$1,000,000 shall be rounded to the nearest
2	multiple of \$1,000,000.".
3	(c) ALTERNATIVE MINIMUM TAX RELIEF.—Subpara-
4	graph (B) of section 38(c)(4) of the Internal Revenue
5	Code of 1986 is amended—
6	(1) by redesignating clauses (vii) through (xii)
7	as clauses (viii) through (xiii), respectively, and
8	(2) by inserting after clause (vi) the following
9	new clause:
10	"(vii) the credit determined under sec-
11	tion 45D, but only with respect to credits
12	determined with respect to qualified equity
13	investments (as defined in section 45D(b))
14	initially made after December 31, 2024,"
15	(d) Effective Dates.—
16	(1) In general.—Except as provided in para-
17	graph (2), the amendments made by this section
18	shall apply to taxable years beginning after Decem-
19	ber 31, 2024.
20	(2) Alternative minimum tax relief.—The
21	amendments made by subsection (c) shall apply to
22	credits determined with respect to qualified equity
23	investments (as defined in section 45D(b) of the In-
24	ternal Revenue Code of 1986) initially made after
25	December 31, 2024.