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(Original Signature of Member)

119TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to increase the low-income housing tax credit for projects designated to serve extremely low-income households.

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**IN THE HOUSE OF REPRESENTATIVES**

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

\_\_\_\_\_  
**A BILL**

To amend the Internal Revenue Code of 1986 to increase the low-income housing tax credit for projects designated to serve extremely low-income households.

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 “Affordable Housing  
5       Equity Act of 2025”.

1 **SEC. 2. INCREASE IN CREDIT FOR CERTAIN PROJECTS DES-**  
2 **IGNATED TO SERVE EXTREMELY LOW-IN-**  
3 **COME HOUSEHOLDS.**

4 (a) IN GENERAL.—Section 42(d)(5) of the Internal  
5 Revenue Code of 1986 is amended by adding at the end  
6 the following new subparagraph:

7 “(C) INCREASE IN CREDIT FOR PROJECTS  
8 DESIGNATED TO SERVE EXTREMELY LOW-IN-  
9 COME HOUSEHOLDS.—In the case of any build-  
10 ing—

11 “(i) 20 percent or more of the resi-  
12 dential units (determined as if the imputed  
13 income limitation applicable to such units  
14 were 30 percent of area median gross in-  
15 come) in which are designated by the tax-  
16 payer for occupancy by households the ag-  
17 gregate household income of which does  
18 not exceed the greater of—

19 “(I) 30 percent of area median  
20 gross income, or

21 “(II) 100 percent of an amount  
22 equal to the Federal poverty line  
23 (within the meaning of section  
24 36B(d)(3)), and

25 “(ii) which is designated by the hous-  
26 ing credit agency as requiring the increase

1                   in credit under this subparagraph in order  
2                   for such building to be financially feasible  
3                   as part of a qualified low-income housing  
4                   project,

5                   subparagraph (B) shall not apply to the portion  
6                   of such building which is comprised of such  
7                   units (determined in a manner similar to the  
8                   unit fraction under subsection (c)(1)(C)), and  
9                   the eligible basis of such portion of the building  
10                  shall be 150 percent of such basis determined  
11                  without regard to this subparagraph.”

12           (b) EFFECTIVE DATE.—The amendment made by  
13 this section shall apply to buildings which receive alloca-  
14 tions of housing credit dollar amount after the date of en-  
15 actment of this Act, or in the case of buildings that are  
16 described in section 42(h)(4)(B) of the Internal Revenue  
17 Code of 1986, for obligations that are part of an issue  
18 the issue date of which is after December 31, 2025.