

Baucus/Grassley Housing Package to H.R. 3221

Provision	Description	Cost
NOLs	The provision allows businesses to carryback losses incurred in tax years 2008 and 2009 for four years. The taxpayer would be required to elect either the net operating loss provision, or section 179 business expensing and bonus depreciation.	\$6.054 billion
Mortgage Revenue Bonds	The proposal provides an additional \$10 billion of tax-exempt private activity bond authority to be used to refinance subprime loans, provide mortgages for first-time homebuyers, and for multifamily rental housing. The proposal also exempts interest earned on the bonds from the alternative minimum tax.	\$1.688 billion
Non-Itemizer Tax Deduction	Allow property owners that do not itemize to claim an additional standard deduction for the amount of local property taxes paid subject to a \$500 and \$1,000 cap. Under present law, itemizing taxpayers may deduct the full amount of local property taxes paid from their Federal tax return. The relief would not be available if the local jurisdiction increases taxes after April 2, 2008 and before December 31, 2008.	\$1.476 billion
Homeownership Tax Credit	Allow taxpayers purchasing as their principal residence homes upon which foreclosure has been filed pursuant to the laws of the state a \$7,000 non-refundable tax credit claimed ratably over two tax years. The credit is available for purchases beginning date of enactment for one year.	\$1.63 billion
Total		\$10.848 billion