

1 (2) NET DISASTER LOSS.—For purposes of this
2 subsection, the term “net disaster loss” means the
3 excess of qualified disaster-related personal casualty
4 losses over personal casualty gains (as defined in
5 section 165(h)(3)(A) of the Internal Revenue Code
6 of 1986).

7 (3) QUALIFIED DISASTER-RELATED PERSONAL
8 CASUALTY LOSSES.—For purposes of this sub-
9 section, the term “qualified disaster-related personal
10 casualty losses” means losses described in section
11 165(c)(3) of the Internal Revenue Code of 1986
12 which arise in a qualified disaster area on or after
13 the first day of the incident period of the qualified
14 disaster to which such area relates, and which are
15 attributable to such qualified disaster.

16 **SEC. 305. LOW-INCOME HOUSING TAX CREDIT.**

17 (a) ADDITIONAL LOW-INCOME HOUSING CREDIT AL-
18 LOCATIONS.—

19 (1) IN GENERAL.—For purposes of section 42
20 of the Internal Revenue Code of 1986, the State
21 housing credit ceiling for any State for each of cal-
22 endar years 2021 and 2022 shall be increased by the
23 aggregate housing credit dollar amount allocated by
24 the State housing credit agencies of such State for

1 such calendar year to buildings located in any quali-
2 fied disaster zone in such State.

3 (2) LIMITATION.—

4 (A) APPLICATION OF AGGREGATE LIMITA-
5 TION.—The increase determined under para-
6 graph (1) with respect to any State shall not
7 exceed—

8 (i) in the case of any such increase
9 determined for calendar year 2021, the ap-
10 plicable dollar limitation for such State,
11 and

12 (ii) in the case of any such increase
13 determined for calendar year 2022, the ap-
14 plicable dollar limitation for such State re-
15 duced by the amount of any increase deter-
16 mined under paragraph (1) with respect to
17 such State for calendar year 2021.

18 (B) APPLICABLE DOLLAR LIMITATION.—
19 For purposes of this paragraph, the term “ap-
20 plicable dollar limitation” means, with respect
21 to any State, the lesser of—

22 (i) the product of \$3.50 multiplied by
23 the population of such State (as deter-
24 mined for calendar year 2020) which re-

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1 sides in qualified disaster zones in such
2 State, or

3 (ii) 65 percent of the State housing
4 credit ceiling for such State for calendar
5 year 2020.

6 (3) EXTENSION OF PLACED IN SERVICE DEAD-
7 LINE FOR DESIGNATED HOUSING CREDIT DOLLAR
8 AMOUNTS.—

9 (A) IN GENERAL.—In the case of any
10 housing credit dollar amount which is allocated
11 by a State housing credit agency of a State for
12 calendar year 2021 or 2022 to a building lo-
13 cated in a qualified disaster zone in such State
14 and which is designated (at such time and in
15 such manner as the Secretary may provide) by
16 such State housing credit agency as housing
17 credit dollar amount to which this paragraph
18 applies, section 42(h)(1)(E) of the Internal
19 Revenue Code of 1986 shall be applied—

20 (i) by substituting “third calendar
21 year” for “second calendar year” both
22 places it appears, and

23 (ii) by substituting “2 years” for “1
24 year” in clause (ii) thereof.

1 (B) APPLICATION OF LIMITATION.—The
2 aggregate amount of housing credit dollar
3 amount designated under subparagraph (A) for
4 any calendar year by all State housing credit
5 agencies of a State shall not exceed the amount
6 determined under paragraph (2)(A) with re-
7 spect to such State for such calendar year.

8 (4) ALLOCATIONS TREATED AS MADE FIRST
9 FROM ADDITIONAL ALLOCATION FOR PURPOSES OF
10 DETERMINING CARRYOVER.—For purposes of deter-
11 mining the unused State housing credit ceiling for
12 any calendar year under section 42(h)(3)(C) of the
13 Internal Revenue Code of 1986, any increase in the
14 State housing credit ceiling under paragraph (1)
15 shall be treated as an amount described in clause (ii)
16 of such section.

17 **SEC. 306. TREATMENT OF CERTAIN POSSESSIONS.**

18 (a) PAYMENTS TO POSSESSIONS WITH MIRROR
19 CODE TAX SYSTEMS.—The Secretary of the Treasury
20 shall pay to each possession of the United States which
21 has a mirror code tax system amounts equal to the loss
22 (if any) to that possession by reason of the application
23 of the provisions of this title. Such amounts shall be deter-
24 mined by the Secretary of the Treasury based on informa-