

106TH CONGRESS  
1ST SESSION

# S. 1446

To amend the Internal Revenue Code of 1986 to allow an additional advance refunding of bonds originally issued to finance governmental facilities used for essential governmental functions.

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## IN THE SENATE OF THE UNITED STATES

JULY 27, 1999

Mr. LOTT introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to allow an additional advance refunding of bonds originally issued to finance governmental facilities used for essential governmental functions.

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. ADDITIONAL ADVANCE REFUNDINGS OF CER-**  
4       **TAIN GOVERNMENTAL BONDS.**

5       (a) IN GENERAL.—Section 149(d)(3)(A)(i) of the In-  
6       ternal Revenue Code of 1986 (relating to advance  
7       refundings of other bonds) is amended—

8               (1) by striking “or” at the end of subclause (I),

1           (2) by adding “or” at the end of subclause (II),

2           and

3           (3) by inserting after subclause (II) the fol-

4           lowing:

5                           “(III) the 2nd advance refunding  
6                           of the original bond if the original  
7                           bond was issued after 1985 or the 3rd  
8                           advance refunding of the original  
9                           bond if the original bond was issued  
10                          before 1986, if, in either case, the  
11                          original bond was issued as part of an  
12                          issue 90 percent or more of the net  
13                          proceeds of which were used to fi-  
14                          nance governmental facilities used for  
15                          1 or more essential governmental  
16                          functions (within the meaning of sec-  
17                          tion 141(c)(2)),”.

18           (b) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to refunding bonds issued on or  
20 after the date of enactment of this Act.

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