

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 3904

To provide that certain service or management contracts will not result in municipal water or wastewater facilities being treated as used in a private business use for purposes of the limitations on private activity bonds.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 24, 1994

Mr. JEFFERSON introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To provide that certain service or management contracts will not result in municipal water or wastewater facilities being treated as used in a private business use for purposes of the limitations on private activity bonds.

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. TREATMENT OF CERTAIN SERVICE OR MAN-**  
4 **AGEMENT CONTRACTS.**

5 (a) GENERAL RULE.—The provisions of services  
6 under a service or management contract shall not result  
7 in any municipal water or wastewater facility being treated  
8 as used in a private business use for purposes of section

1 141 of the Internal Revenue Code of 1986 if the require-  
2 ments of section 5 of Revenue Procedure 93-19 are satis-  
3 fied, except that, for purposes of this subsection, such  
4 Revenue Procedure shall be applied—

5 (1) by substituting “fifteen” for “five” in sec-  
6 tion 5.03, and

7 (2) as if it did not contain section 5.04.

8 (b) EFFECTIVE DATE.—The provisions of subsection  
9 (a) shall take effect on the date of the enactment of this  
10 Act.

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