

111TH CONGRESS
1ST SESSION

H. R. 214

To amend the Internal Revenue Code of 1986 to provide a Federal income tax credit for certain home purchases.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 2009

Mr. WILSON of South Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide a Federal income tax credit for certain home purchases.

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. CREDIT FOR CERTAIN HOME PURCHASES.**

4 (a) ALLOWANCE OF CREDIT.—Subpart A of part IV
5 of subchapter A of chapter 1 of the Internal Revenue Code
6 of 1986 (relating to refundable credits) is amended by in-
7 serting after section 25D the following new section:

8 **“SEC. 25E. CREDIT FOR CERTAIN HOME PURCHASES.**

9 “(a) ALLOWANCE OF CREDIT.—

1 “(1) IN GENERAL.—In the case of an individual
2 who is a purchaser of a qualified principal residence
3 during the taxable year, there shall be allowed as a
4 credit against the tax imposed by this chapter an
5 amount equal to so much of the purchase price of
6 the residence as does not exceed \$15,000.

7 “(2) ALLOCATION OF CREDIT AMOUNT.—The
8 amount of the credit allowed under paragraph (1)
9 shall be equally divided among the 3 taxable years
10 beginning with the taxable year in which the pur-
11 chase of the qualified principal residence is made.

12 “(b) LIMITATIONS.—

13 “(1) DATE OF PURCHASE.—The credit allowed
14 under subsection (a) shall be allowed only with re-
15 spect to purchases made—

16 “(A) after February 29, 2008, and

17 “(B) before March 1, 2009.

18 “(2) LIMITATION BASED ON AMOUNT OF
19 TAX.—In the case of a taxable year to which section
20 26(a)(2) does not apply, the credit allowed under
21 subsection (a) for any taxable year shall not exceed
22 the excess of—

23 “(A) the sum of the regular tax liability
24 (as defined in section 26(b)) plus the tax im-
25 posed by section 55, over

1 “(B) the sum of the credits allowable
2 under this subpart (other than this section) for
3 the taxable year.

4 “(3) ONE-TIME ONLY.—

5 “(A) IN GENERAL.—If a credit is allowed
6 under this section in the case of any individual
7 (and such individual’s spouse, if married) with
8 respect to the purchase of any qualified prin-
9 cipal residence, no credit shall be allowed under
10 this section in any taxable year with respect to
11 the purchase of any other qualified principal
12 residence by such individual or a spouse of such
13 individual.

14 “(B) JOINT PURCHASE.—In the case of a
15 purchase of a qualified principal residence by 2
16 or more unmarried individuals or by 2 married
17 individuals filing separately, no credit shall be
18 allowed under this section if a credit under this
19 section has been allowed to any of such individ-
20 uals in any taxable year with respect to the
21 purchase of any other qualified principal resi-
22 dence.

23 “(c) QUALIFIED PRINCIPAL RESIDENCE.—

24 “(1) IN GENERAL.—For purposes of this sec-
25 tion, the term ‘qualified principal residence’ means

1 an eligible single-family residence that is purchased
2 to be the principal residence of the purchaser.

3 “(2) ELIGIBLE SINGLE-FAMILY RESIDENCE.—

4 “(A) IN GENERAL.—For purposes of this
5 subsection, the term ‘eligible single-family resi-
6 dence’ means a single-family structure that is—

7 “(i) a new previously unoccupied resi-
8 dence for which a building permit is issued
9 and construction begins on or before Sep-
10 tember 1, 2007,

11 “(ii) an owner-occupied residence with
12 respect to which the owner’s acquisition in-
13 debtedness (as defined in section
14 163(h)(3)(B), determined without regard
15 to clause (ii) thereof) is in default on or
16 before March 1, 2008, or

17 “(iii) a residence with respect to
18 which a foreclosure event has taken place
19 and which is owned by the mortgagor or
20 the mortgagor’s agent.

21 “(B) CERTIFICATION.—In the case of an
22 eligible single-family residence described in sub-
23 paragraph (A)(i), no credit shall be allowed
24 under this section unless the purchaser submits
25 a certification by the seller of such residence

1 that such residence meets the requirements of
2 such subparagraph.

3 “(d) DENIAL OF DOUBLE BENEFIT.—No credit shall
4 be allowed under this section for any purchase for which
5 a credit is allowed under section 1400C.

6 “(e) SPECIAL RULES.—

7 “(1) JOINT PURCHASE.—

8 “(A) MARRIED INDIVIDUALS FILING SEPA-
9 RATELY.—In the case of 2 married individuals
10 filing separately, subsection (a) shall be applied
11 to each such individual by substituting ‘\$7,500’
12 for ‘\$15,000’ in subsection (a)(1).

13 “(B) UNMARRIED INDIVIDUALS.—If 2 or
14 more individuals who are not married purchase
15 a qualified principal residence, the amount of
16 the credit allowed under subsection (a) shall be
17 allocated among such individuals in such man-
18 ner as the Secretary may prescribe, except that
19 the total amount of the credits allowed to all
20 such individuals shall not exceed \$15,000.

21 “(2) PURCHASE.—In defining the purchase of a
22 qualified principal residence, rules similar to the
23 rules of paragraphs (2) and (3) of section 1400C(e)
24 (as in effect on the date of the enactment of this
25 section) shall apply.

1 “(3) REPORTING REQUIREMENT.—Rules similar
2 to the rules of section 1400C(f) (as so in effect)
3 shall apply.

4 “(f) BASIS ADJUSTMENT.—For purposes of this sub-
5 title, if a credit is allowed under this section with respect
6 to the purchase of any residence, the basis of such resi-
7 dence shall be reduced by the amount of the credit so al-
8 lowed.”.

9 (b) CLERICAL AMENDMENT.—The table of sections
10 for subpart A of part IV of subchapter A of chapter 1
11 of the Internal Revenue Code of 1986 is amended by in-
12 serting after the item relating to section 25D the following
13 new item:

 “Sec. 25E. Credit for certain home purchases.”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to taxable years ending after Feb-
16 ruary 29, 2008.

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