

118TH CONGRESS  
1ST SESSION

# H. R. 2927

To amend the Internal Revenue Code of 1986 to reduce the holding period used to determine whether horses are section 1231 assets to 12 months.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2023

Mr. BARR (for himself and Mr. MCGARVEY) introduced the following bill;  
which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to reduce the holding period used to determine whether horses are section 1231 assets to 12 months.

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. SHORT TITLE.**

4 This Act may be cited as the “Racehorse Tax Parity  
5 Act”.

1 **SEC. 2. REDUCTION OF HOLDING PERIOD TO 12 MONTHS**  
2 **FOR PURPOSES OF DETERMINING WHETHER**  
3 **HORSES ARE SECTION 1231 ASSETS.**

4 (a) **IN GENERAL.**—Subparagraph (A) of section  
5 1231(b)(3) of the Internal Revenue Code of 1986 is  
6 amended by striking “and horses”.

7 (b) **EFFECTIVE DATE.**—The amendment made by  
8 this section shall apply to taxable years beginning after  
9 December 31, 2022.

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