

115TH CONGRESS
1ST SESSION

H. R. 4531

To amend the Internal Revenue Code of 1986 to treat rents received by a real estate investment trust from a parking facility leased to a taxable REIT subsidiary in the same manner as rents from lodging and health care facilities leased to such a subsidiary.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 4, 2017

Mr. POE of Texas 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 treat rents received by a real estate investment trust from a parking facility leased to a taxable REIT subsidiary in the same manner as rents from lodging and health care facilities leased to such a subsidiary.

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 “REIT Parity Act”.

1 **SEC. 2. APPLICATION OF THE LODGING AND HEALTH CARE**
2 **REIT RULES TO PARKING REITS.**

3 (a) INCLUSION OF PARKING REITS TO EXCEPTION
4 FOR CERTAIN LODGING FACILITIES AND HEALTH CARE
5 PROPERTY.—Section 856(d)(8)(B) of the Internal Rev-
6 enue Code of 1986 is amended—

7 (1) striking “paragraph (9)(D)) or” and insert-
8 ing “paragraph (9)(D)), a qualified parking facility
9 (as defined in paragraph (9)(E)), or”;

10 (2) by striking “or qualified lodging facility”
11 and inserting “, qualified lodging facility, or quali-
12 fied parking facility”; and

13 (3) by striking “LODGING FACILITIES AND” and
14 inserting “LODGING FACILITIES, PARKING FACILI-
15 TIES, AND”.

16 (b) AMENDMENT TO DEFINITION OF ELIGIBLE
17 INDEPENDENT CONTRACTOR.—Section 856(d)(9) of such
18 Code is amended—

19 (1) by striking “qualified lodging facility or”
20 each place it appears and inserting “qualified lodg-
21 ing facility, qualified parking facility, or”; and

22 (2) by striking “qualified lodging facilities or”
23 in subparagraph (A) and inserting “qualified lodging
24 facilities, qualified parking facilities, or”.

25 (c) ADDITION OF DEFINITION OF QUALIFIED PARK-
26 ING FACILITY.—Section 856(d)(9) of such Code is amend-

1 ed by redesignating subparagraphs (E) and (F) as sub-
2 paragraphs (F) and (G), respectively, and by inserting
3 after subparagraph (D) the following new subparagraph:

4 “(E) QUALIFIED PARKING FACILITY.—For
5 purposes of this paragraph—

6 “(i) IN GENERAL.—The term ‘quali-
7 fied parking facility’ means any real prop-
8 erty (including interests therein), and any
9 personal property incident to such real
10 property, which is a parking facility.

11 “(ii) PARKING FACILITY.—The term
12 ‘parking facility’ means any facility at
13 which motor vehicles are parked for terms
14 of less than 1 calendar month in exchange
15 for a fee (including customary amenities
16 and facilities operated as part of, or associ-
17 ated with, any such facility so long as such
18 amenities and facilities are customary for
19 other properties of a comparable size and
20 class owned by other owners unrelated to
21 such real estate investment trust).”.

22 (d) AMENDMENT TO EXCEPTIONS FROM TAXABLE
23 REIT SUBSIDIARIES.—Section 856(l)(3) of such Code is
24 amended—

1 (1) in subparagraph (A), by striking “a lodging
2 facility or” and inserting “a lodging facility, a park-
3 ing facility used predominantly to generate fees from
4 the parking of motor vehicles for terms of less than
5 1 calendar month, or”;

6 (2) in subparagraph (B), by striking “any lodg-
7 ing facility or” and inserting “any lodging facility,
8 parking facility used predominantly to generate fees
9 from the parking of motor vehicles for terms of less
10 than 1 calendar month, or”; and

11 (3) in the second sentence—

12 (A) by striking “a lodging facility or” and
13 inserting “a lodging facility, a parking facility,
14 or”; and

15 (B) by striking “such lodging facility or”
16 in the second sentence and inserting “such
17 lodging facility, parking facility, or”.

18 (e) ADDITION OF DEFINITION OF PARKING FACIL-
19 ITY.—Section 856(l)(4) of the Internal Revenue Code of
20 1986 is amended by adding at the end the following new
21 subparagraph:

22 “(C) PARKING FACILITY.—The term ‘park-
23 ing facility’ has the meaning given to such term
24 by subsection (d)(9)(E)(ii).”.

1 (f) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 the date of the enactment of this Act.

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