

117TH CONGRESS  
1ST SESSION

# H. R. 840

To amend the Internal Revenue Code of 1986 to modify rules related to rents received by real estate investment trusts from related parties.

---

## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 2021

Mr. SCHNEIDER (for himself, Mr. LAHOOD, Ms. SEWELL, Mr. SUOZZI, Mr. BUCHANAN, Ms. SÁNCHEZ, Mrs. WALORSKI, and Mr. BEYER) 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 modify rules related to rents received by real estate investment trusts from related parties.

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 “Retail Revitalization  
5 Act of 2021”.

1 **SEC. 2. MODIFICATION OF RULES RELATED TO RENTS RE-**  
2 **CEIVED BY REAL ESTATE INVESTMENT**  
3 **TRUSTS FROM RELATED PARTIES.**

4 (a) INCREASE IN PERMISSIBLE OWNERSHIP PER-  
5 CENTAGE.—Section 856(d)(2)(B) of the Internal Revenue  
6 Code of 1986 is amended by striking “10 percent or  
7 more” each place it appears and inserting “more than 50  
8 percent”.

9 (b) MODIFICATION OF RULES FOR CONSTRUCTIVE  
10 OWNERSHIP OF STOCK.—Section 856(d)(5) of such Code  
11 is amended—

12 (1) by striking “‘10 percent’ shall be sub-  
13 stituted for ‘50 percent’” in subparagraph (A) and  
14 inserting “‘more than 50 percent’ shall be sub-  
15 stituted for ‘50 percent or more’”,

16 (2) by striking “25 percent or more” in sub-  
17 paragraph (B) and inserting “more than 50 per-  
18 cent”, and

19 (3) by striking “and” at the end of subpara-  
20 graph (A), by striking the period at the end of sub-  
21 paragraph (B) and inserting “, and”, and by adding  
22 at the end the following new subparagraph:

23 “(C) section 318(a)(5)(C) shall be applied  
24 by substituting ‘paragraph (2) or (3)’ for ‘para-  
25 graph (2)’.”.

1           (c) MODIFICATION OF RULES FOR TAXABLE REIT  
2 SUBSIDIARIES.—Section 856(d)(8)(A)(i) of such Code is  
3 amended by striking “90 percent” and inserting “50 per-  
4 cent”.

5           (d) EFFECTIVE DATE.—The amendments made by  
6 this section shall apply to taxable years ending after the  
7 date of the enactment of this Act.

○