

117TH CONGRESS
2D SESSION

H. R. 8582

To amend the Internal Revenue Code of 1986 to impose an excise tax on the acquisition of single-family homes by certain large investors.

IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2022

Mr. SMITH of Washington introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to impose an excise tax on the acquisition of single-family homes by certain large investors.

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. EXCISE TAX ON ACQUISITIONS OF SINGLE-FAM-**
4 **ILY HOMES BY CERTAIN LARGE INVESTORS.**

5 (a) IN GENERAL.—Chapter 36 of the Internal Rev-
6 enue Code of 1986 is amended by adding at the end the
7 following new subchapter:

1 **“Subchapter E—Acquisition of Single-Family**
2 **Homes by Large Investors**

“Sec. 4491. Tax on acquisition of single-family homes by certain large investors.

3 **“SEC. 4491. TAX ON ACQUISITION OF SINGLE-FAMILY**
4 **HOMES BY CERTAIN LARGE INVESTORS.**

5 “(a) TAX IMPOSED.—In the case of the sale of any
6 single-family home to a specified large investor, there is
7 hereby imposed a tax equal to 100 percent of the amount
8 paid for such home.

9 “(b) BY WHOM PAID.—The tax imposed under sub-
10 section (a) shall be paid by the specified large investor.

11 “(c) SINGLE-FAMILY HOME.—For purposes of this
12 section, the term ‘single-family home’ means any real
13 property located in the United States if such property in-
14 cludes at least 1 dwelling unit and not more than 2 dwell-
15 ing units.

16 “(d) SPECIFIED LARGE INVESTOR.—For purposes of
17 this section, the term ‘specified large investor’ means any
18 person for any taxable year if the aggregate fair market
19 value of all assets of such person (reduced by the aggre-
20 gate debts of the taxpayer) determined as of the beginning
21 of such taxable year exceeds \$20,000,000. Such term shall
22 not include any governmental entity or any organization
23 described in section 501(c) and exempt from tax under
24 section 501(a).

1 “(e) EXCEPTIONS.—

2 “(1) PRINCIPAL RESIDENCE.—In the case of a
3 specified large investor who is an individual, sub-
4 section (a) shall not apply to the sale of any single-
5 family home to such specified large investor if such
6 home is used as the principal residence of such in-
7 vestor.

8 “(2) LOW-INCOME HOUSING PROGRAMS.—Sub-
9 section (a) shall not apply to the sale of any single-
10 family home to a specified large investor if the ac-
11 quisition of such home by such investor is pursuant
12 to a governmental program the purpose of which is
13 to provide housing to low-income individuals.

14 “(f) CONTROLLED GROUPS.—For purposes of sub-
15 section (d)—

16 “(1) CORPORATIONS.—

17 “(A) IN GENERAL.—All persons treated as
18 a controlled group shall be treated as 1 person.

19 “(B) CONTROLLED GROUP.—The term
20 ‘controlled group’ has the meaning given to
21 such term by subsection (a) of section 1563; ex-
22 cept that for such purposes the phrase ‘more
23 than 50 percent’ shall be substituted for the
24 phrase ‘at least 80 percent’ each place it ap-
25 pears in such subsection.

1 “(2) NONINCORPORATED PERSONS UNDER COM-
2 MON CONTROL.—Under regulations prescribed by
3 the Secretary, principles similar to the principles of
4 paragraph (1) shall apply to a group of persons
5 under common control where 1 or more of such per-
6 sons is not a corporation.

7 “(g) TRANSFER OF REVENUES TO THE HOUSING
8 TRUST FUND.—

9 “(1) IN GENERAL.—There are hereby appro-
10 priated to the Housing Trust Fund established
11 under section 1338 of the Federal Housing Enter-
12 prises Financial Safety and Soundness Act of 1992
13 amounts equivalent to the taxes received in the
14 Treasury under this section.

15 “(2) ADMINISTRATION OF TRANSFERS.—Rules
16 similar to the rules of section 9601 shall apply for
17 purposes of this subsection.”.

18 (b) CLERICAL AMENDMENT.—The table of sub-
19 chapters for chapter 36 of such Code is amended by add-
20 ing at the end the following new item:

 “SUBCHAPTER E. ACQUISITION OF SINGLE-FAMILY HOMES BY LARGE
 INVESTORS.”.

21 (c) ANNUAL REPORT.—With respect to each calendar
22 year beginning after the date of the enactment of this Act,
23 the Secretary of Housing and Urban Development shall
24 make publicly available an annual report which evaluates

1 the trends in purchases of single-family homes (as defined
2 in section 4491(c) of the Internal Revenue Code of 1986)
3 by specified large investors (as defined in section 4491(d)
4 of such Code).

5 (d) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to sales after the date of the enact-
7 ment of this Act.

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