

103^D CONGRESS
1ST SESSION

H. R. 357

To amend the Internal Revenue Code of 1986 to provide that the one-time exclusion of gain from sale of a principal residence shall apply to a portion of the farmland on which the residence is located.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Mr. SLATTERY 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 that the one-time exclusion of gain from sale of a principal residence shall apply to a portion of the farmland on which the residence is located.

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. TREATMENT OF FARMLAND SOLD WITH RESI-**
4 **DENCE UNDER ONE-TIME EXCLUSION OF**
5 **GAIN FROM SALE OF PRINCIPAL RESIDENCE.**

6 (a) IN GENERAL.—Subsection (d) of section 121 of
7 the Internal Revenue Code of 1986 (relating to one-time
8 exclusion of gain from sale of principal residence by indi-

1 vidual who has attained age 55) is amended by adding
2 at the end thereof the following new paragraph:

3 “(10) TREATMENT OF FARMLAND SOLD WITH
4 RESIDENCE.—If—

5 “(A) a parcel of farmland on which is lo-
6 cated a residence with respect to which the tax-
7 payer meets the holding and use requirements
8 of subsection (a) is sold with such residence,

9 “(B) the taxpayer meets the holding re-
10 quirements of subsection (a) with respect to
11 such farmland, and

12 “(C) the taxpayer meets requirements
13 similar to the requirements of section
14 2032A(b)(1)(C) with respect to such farmland,
15 notwithstanding paragraph (5), the taxpayer shall be
16 treated as meeting the use requirements of sub-
17 section (a) with respect to so much of such parcel
18 as does not exceed 160 acres and with respect to
19 structures thereon.”

20 (b) EFFECTIVE DATE.—The amendment made by
21 this section shall apply to sales or exchanges after Decem-
22 ber 31, 1992.

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