

105TH CONGRESS
1ST SESSION

H. R. 1791

To amend the Internal Revenue Code of 1986 to expand the opportunity to deduct expenses with respect to home offices at which administrative and managerial functions are carried out on a consistent basis.

IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 1997

Mr. WEYGAND 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 expand the opportunity to deduct expenses with respect to home offices at which administrative and managerial functions are carried out on a consistent basis.

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 “Home Office Equality
5 Act of 1997”.

1 **SEC. 2. HOME OFFICES AT WHICH ESSENTIAL ADMINISTRA-**
2 **TIVE AND MANAGERIAL FUNCTIONS ARE**
3 **CARRIED OUT ON A CONSISTENT BASIS.**

4 (a) IN GENERAL.—Paragraph (1) of section 280A(c)
5 of the Internal Revenue Code of 1986 (relating to excep-
6 tions for certain business or rental use; limitation on de-
7 ductions for such use) is amended to read as follows:

8 “(1) CERTAIN BUSINESS USE.—Subsection (a)
9 shall not apply to any item to the extent such item
10 is allocable to a portion of the dwelling unit which
11 is—

12 “(A) exclusively used on a regular basis—

13 “(i) as the principal place of business
14 for any trade or business of the taxpayer,

15 “(ii) as a place of business which is
16 used by patients, clients, or customers in
17 meeting or dealing with the taxpayer in the
18 normal course of his trade or business, or

19 “(iii) in the case of a separate struc-
20 ture which is not attached to the dwelling
21 unit, in connection with the taxpayer’s
22 trade or business, or

23 “(B) exclusively used to carry out, on a
24 consistent basis, essential administrative and
25 managerial functions with respect to the tax-
26 payer’s trade or business, regardless of the

1 amount of time spent on such functions in such
2 location.

3 In the case of an employee, the preceding sentence
4 shall apply only if the exclusive use referred to in
5 the preceding sentence is for the convenience of his
6 employer.”

7 (b) EFFECTIVE DATE.—The amendment made by
8 this section shall apply to taxable years beginning after
9 December 31, 1996.

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