

107TH CONGRESS
1ST SESSION

H. R. 1341

To amend the Internal Revenue Code of 1986 to provide capital gain treatment under section 631(b) of such Code for outright sales of timber by landowners.

IN THE HOUSE OF REPRESENTATIVES

APRIL 3, 2001

Mr. COLLINS 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 capital gain treatment under section 631(b) of such Code for outright sales of timber by landowners.

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 “Timber Tax Simplifica-
5 tion Act of 2001”.

1 **SEC. 2. CAPITAL GAIN TREATMENT UNDER SECTION 631(b)**
2 **TO APPLY TO OUTRIGHT SALES BY LAND-**
3 **OWNERS.**

4 (a) **IN GENERAL.**—The first sentence of section
5 631(b) of the Internal Revenue Code of 1986 (relating to
6 disposal of timber with a retained economic interest) is
7 amended by striking “retains an economic interest in such
8 timber” and inserting “either retains an economic interest
9 in such timber or makes an outright sale of such timber”.

10 (b) **CONFORMING AMENDMENTS.**—

11 (1) The third sentence of section 631(b) of such
12 Code is amended by striking “The date of disposal”
13 and inserting “In the case of disposal of timber with
14 a retained economic interest, the date of disposal”.

15 (2) The heading for section 631(b) of such
16 Code is amended by striking “WITH A RETAINED
17 ECONOMIC INTEREST”.

18 (c) **EFFECTIVE DATE.**—The amendments made by
19 this section shall apply to sales after the date of the enact-
20 ment of this Act.

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