

## ***The Home Advantage for American Families Act***

### **Senator Marco Rubio**

Increasing foreign real estate investment in U.S. metropolitan areas has caused abnormal increases in urban housing prices and shifted the composition of new construction away from single-family housing.

A significant portion of foreign investment in luxury real estate in urban centers is connected to foreign illicit activity, such as money laundering and tax evasion. According to the Miami Association of Realtors, from August 2017 to July 2018 foreign buyers consisted of 33% of closed real estate sales in Miami, Florida, with a total value of \$8.7 billion from 14,300 foreign sales. Venezuela accounted for 11% of that share of foreign purchases.

Reducing foreign investment in urban real estate and increasing investment in affordable housing is essential to restoring equilibrium in housing markets to serve local communities, so residents may have the stability to raise families in their own homes.

#### ***The Home Advantage for American Families Act:***

- Authorizes the Treasury Department to issue reports on behalf of the Financial Crimes Enforcement Network (FinCEN) for residential real estate transactions within the top fifteen Metropolitan Statistical Areas (MSAs) to identify the natural identities of foreign buyers.
- Increases the Foreign Investment in Real Property Act (FIRPTA) of 1980 withholding tax on residential real estate to 30% for both foreign corporations and foreign individuals.
- Provides an additional 10% of base-funding set-aside of the Low-Income Housing Tax Credit (LITHC) for single family home construction within Qualified Census Tracts (QCTs) to help states create more affordable housing opportunities that can accommodate a family.