

116TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To reduce the excessive appreciation of United States residential real estate due to foreign purchases.

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IN THE SENATE OF THE UNITED STATES

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Mr. RUBIO introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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## **A BILL**

To reduce the excessive appreciation of United States residential real estate due to foreign purchases.

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 Advantage for  
5 American Families Act”.

6 **SEC. 2. EXPANSION OF TOOLS TO COMBAT MONEY LAUN-**  
7 **DERING.**

8 (a) IN GENERAL.—Subchapter II of chapter 53 of  
9 title 31, United States Code, is amended by adding at the  
10 end the following:

1 **“§ 5333 Reports on applicable residential property**

2 “(a) DEFINITIONS.—In this section:

3 “(1) APPLICABLE RESIDENTIAL PROPERTY.—

4 The term ‘applicable residential property’ has means  
5 property described in section 1445(f) of the Internal  
6 Revenue Code of 1986 and which is located in any  
7 of the 15 largest metropolitan statistical areas by  
8 population (as determined by the Office of Manage-  
9 ment and Budget).

10 “(2) FOREIGN PERSON.—The term ‘foreign per-  
11 son’ means any person that is not a citizen or per-  
12 manent resident of the United States.

13 “(3) SALE OF APPLICABLE RESIDENTIAL PROP-  
14 erty.—The term ‘sale of applicable residential prop-  
15 erty’ means the sale of an interest in applicable resi-  
16 dential property.

17 “(b) REPORTS.—Any foreign person involved in a  
18 transaction related to the sale of applicable residential  
19 property shall submit to the Secretary of the Treasury a  
20 report with respect to the transaction or any related trans-  
21 action that contains—

22 “(1) the name and any other identification in-  
23 formation that the Secretary determines is necessary  
24 of the individual purchasing the applicable residen-  
25 tial property;



1 (f) as subsection (g) and by inserting after subsection (e)  
2 the following new subsection:

3 “(f) SPECIAL RULE FOR CERTAIN DISPOSITIONS OF  
4 RESIDENTIAL REAL PROPERTY.—

5 “(1) IN GENERAL.—In the case of the dispo-  
6 sition of any applicable residential property, sub-  
7 section (a) shall be applied by substituting ‘30 per-  
8 cent’ for ‘15 percent’.

9 “(2) APPLICABLE RESIDENTIAL PROPERTY.—  
10 For purposes of this subsection, the term ‘applicable  
11 residential property’ means any interest which—

12 “(A) is an interest described in section  
13 897(c)(1)(A)(i), and

14 “(B) is an interest in residential real prop-  
15 erty.”.

16 (b) EFFECTIVE DATE.—The amendments made by  
17 subsection (a) shall apply to dispositions after the date  
18 which is 60 days after the date of the enactment of this  
19 Act.

20 **SEC. 4. INCREASE IN LOW-INCOME HOUSING TAX CREDIT**  
21 **STATE CEILING.**

22 (a) IN GENERAL.—Section 42(h)(3)(C) of the Inter-  
23 nal Revenue Code of 1986 is amended by striking “plus”  
24 at the end of clause (iii), by striking the period at the

1 end of clause (iv) and inserting “, plus”, and by inserting  
2 after clause (iv) the following:

3 “(v) the qualified single-family hous-  
4 ing amount determined under subpara-  
5 graph (J).”.

6 (b) QUALIFIED SINGLE-FAMILY HOUSING  
7 AMOUNT.—

8 (1) IN GENERAL.—Section 42(h)(3) of the In-  
9 ternal Revenue Code of 1986 is amended by adding  
10 at the end the following new subparagraph:

11 “(J) QUALIFIED SINGLE-FAMILY HOUSING  
12 AMOUNT.—The qualified single-family housing  
13 amount determined under this subparagraph  
14 for any calendar year is an amount equal to the  
15 sum of—

16 “(i) 10 percent of the amount deter-  
17 mined under subparagraph (C)(ii) for such  
18 calendar year (determined after application  
19 of subparagraphs (H) and (I)),

20 “(ii) the excess (if any) of the amount  
21 described in clause (i) for the preceding  
22 calendar year over the amounts allocated  
23 to projects described in paragraph (9) for  
24 such preceding calendar year,

1                   “(iii) the amount allocated within the  
2 State (not in excess of the amount deter-  
3 mined under this subparagraph for the  
4 preceding calendar year reduced by the  
5 amount described in clause (ii) for second  
6 preceding calendar year) for any project—

7                   “(I) which is described in para-  
8 graph (9) and which fails to meet the  
9 10 percent test under paragraph  
10 (1)(E)(ii) on a date after the close of  
11 the calendar year in which the alloca-  
12 tion was made,

13                   “(II) which does not become a  
14 qualified low-income housing project  
15 described in paragraph (9) within the  
16 period required by this section or the  
17 terms of the allocation, or

18                   “(III) which is described in para-  
19 graph (9) and with respect to which  
20 an allocation is cancelled by mutual  
21 consent of the housing credit agency  
22 and the allocation recipient, plus

23                   “(iv) the amount, if any, determined  
24 under subparagraph (D), applied—

1                   “(I) by substituting ‘unused  
2                   qualified single-family housing carry-  
3                   over’ for ‘unused housing credit carry-  
4                   over’ in clause (i) thereof,

5                   “(II) without regard to clause (ii)  
6                   thereof,

7                   “(III) by substituting ‘unused  
8                   qualified single-family housing  
9                   carryovers’ for ‘unused housing credit  
10                  carryovers’ in clause (iii) thereof, and

11                  “(IV) by substituting ‘an amount  
12                  equal to its entire qualified single-  
13                  family housing amount to projects de-  
14                  scribed in paragraph (9)’ for ‘entire  
15                  State housing credit ceiling (deter-  
16                  mined without regard to amounts de-  
17                  scribed in subparagraph (C)(v))’ in  
18                  clause (iv)(I) thereof.”.

19                  (2) CONFORMING AMENDMENTS.—

20                  (A) Section 42(h)(3)(C) of such Code is  
21                  amended by inserting “(other than amounts al-  
22                  located from the qualified single-family housing  
23                  amount)” after “the housing credit dollar  
24                  amount previously allocated within the State”.

1           (B) Section 42(h)(3)(D) of such Code is  
2           amended by inserting “(determined without re-  
3           gard to amounts described in subparagraph  
4           (C)(v))” after “entire State housing credit ceil-  
5           ing”.

6           (c) SET ASIDE OF INCREASED AMOUNTS.—Section  
7           42(h) of the Internal Revenue Code of 1986 is amended  
8           by adding at the end the following new paragraph:

9           “(9) SET ASIDE OF QUALIFIED SINGLE-FAMILY  
10          HOUSING AMOUNT.—The portion of the State hous-  
11          ing credit ceiling which is equal to the qualified sin-  
12          gle-family housing amount for any calendar year  
13          shall be allocated to projects consisting of 1 to 4  
14          dwelling units that are located in qualified census  
15          tracts (as defined in subsection (d)(5)(B)(i)).”.

16          (d) EFFECTIVE DATE.—The amendments made by  
17          this section shall apply to allocations made for calendar  
18          years beginning after the date of the enactment of this  
19          Act.