

109TH CONGRESS
2D SESSION

S. 4015

To amend the Internal Revenue Code of 1986 to increase the amount of gain excluded from the sale of a principal residence.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29, 2006

Mr. CORNYN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to increase the amount of gain excluded from the sale of a principal residence.

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 Ownership Pro-
5 tection Act of 2006”.

6 **SEC. 2. INCREASED EXCLUSION OF GAIN FROM SALE OF**
7 **PRINCIPAL RESIDENCE.**

8 (a) IN GENERAL.—Section 121(b) of the Internal
9 Revenue Code of 1986 (relating to exclusion of gain from
10 sale of principal residence) is amended—

1 (1) in paragraph (1), by striking “\$250,000”
2 and inserting “\$350,000”; and

3 (2) in paragraph (2)(A), by striking so much of
4 such paragraph as precedes clause (i) and inserting
5 the following:

6 “(A) \$700,000 LIMITATION FOR CERTAIN
7 JOINT RETURNS.—Paragraph (1) shall be ap-
8 plied by substituting ‘\$700,000’ for ‘350,000’
9 if—”.

10 (b) EFFECTIVE DATE.—The amendments made by
11 subsection (a) shall apply to sales and exchanges after De-
12 cember 31, 2006, in taxable years ending after such date.

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