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115TH CONGRESS
2D SESSION

H. R. 6999

To amend the Internal Revenue Code of 1986 to exclude from gross income gain the sale of land and/or other qualified real property interests in sales for conservation purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 2018

Mr. MEADOWS introduced the following bill; which was referred to the Committee on Ways and Means

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A BILL

To amend the Internal Revenue Code of 1986 to exclude from gross income gain the sale of land and/or other qualified real property interests in sales for conservation purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Conservation Capital Gains Exclusion Act of 2018''.

SEC. 2. EXCLUSION OF GAIN FROM SALE OF LAND OR QUALIFIED REAL PROPERTY INTERESTS FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting before section 140 the following new section:

"SEC. 139H. GAIN FROM SALE OF LAND OR QUALIFIED REAL PROPERTY INTERESTS FOR CONSERVATION PURPOSES.

"(a) IN GENERAL.—Gross income shall not include any gain from the sale of land or a qualified real property interest to a qualified organization exclusively for conservation purposes.

"(b) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED REAL PROPERTY INTEREST.—

"(A) IN GENERAL.—The term 'qualified real property interest' means any of the following interests in real property:

"(i) The entire interest of the taxpayer.

"(ii) A remainder interest.

"(iii) A restriction (granted in perpetuity) on the use which may be made of the real property.

"(B) SPECIAL RULE FOR MINERAL INTERESTS.—An interest in real property shall not

fail to be treated as a qualified real property interest solely by reason of a retention of a qualified mineral interest.

''(2) QUALIFIED ORGANIZATION; CONSERVATION PURPOSES.—The terms 'qualified organization' and 'conservation purpose' shall have the respective meanings given such terms by section 170(h).''.

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting before the item relating to section 140 the following new item:

''Sec. 139H. Gain from sale or grant of conservation easement.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

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