

116TH CONGRESS  
2D SESSION

# H. R. 7787

To amend the Internal Revenue Code of 1986 to provide a reduced capital gains rate on certain property acquired in 2020.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 24, 2020

Mr. SCHWEIKERT (for himself and Mr. NUNES) 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 provide a reduced capital gains rate on certain property acquired in 2020.

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 “Invest Now Act”.

5 **SEC. 2. REDUCED CAPITAL GAINS RATE ON CERTAIN PROP-**  
6 **ERTY ACQUIRED IN 2020.**

7 (a) IN GENERAL.—Section 1(h) of the Internal Rev-  
8 enue Code of 1986 is amended by adding at the end the  
9 following new paragraph:

1           “(12) REDUCED RATE FOR CERTAIN PROPERTY  
2 ACQUIRED IN 2020.—

3           “(A) IN GENERAL.—So much of the ad-  
4 justed net capital gain taxed at a rate of 20  
5 percent under paragraph (1) (determined with-  
6 out regard to this paragraph) to the extent at-  
7 tributable to the sale or exchange of qualified  
8 property shall be taxed at a rate of 5 percent  
9 under such paragraph (and not 20 percent).

10           “(B) COORDINATION WITH 15 PERCENT  
11 RATE.—So much of the adjusted net capital  
12 gain taxed at a rate of 15 percent or 20 percent  
13 under paragraph (1) (determined without re-  
14 gard to this paragraph) to the extent attrib-  
15 utable to the sale or exchange of qualified prop-  
16 erty (reduced by so much of such gain as is  
17 taxed at the rate determined under clause (i))  
18 shall be taxed at a rate of 5 percent (and not  
19 15 percent).

20           “(C) QUALIFIED PROPERTY.—For pur-  
21 poses of this paragraph—

22           “(i) IN GENERAL.—The term ‘quali-  
23 fied property’ means any property—

24           “(I) purchased (as defined in sec-  
25 tion 179(d)(2)) by the taxpayer after

1 December 31, 2019, and before Janu-  
2 ary 1, 2021, and

3 “(II) held by the taxpayer (as de-  
4 termined under section 1223) for a  
5 period of more than 5 years.

6 “(ii) EXCEPTION FOR WASH SALES.—  
7 Such term shall not include any property  
8 the basis of which is determined under sec-  
9 tion 1091(d).”.

10 (b) EFFECTIVE DATE.—The amendment made by  
11 this section shall apply to taxable years beginning after  
12 December 31, 2020.

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