

111TH CONGRESS
1ST SESSION

H. R. 3901

To amend the Internal Revenue Code of 1986 to enhance the administration of, and reduce fraud related to, the first-time homebuyer tax credit, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 22, 2009

Mr. LEWIS of Georgia (for himself, Mr. BOUSTANY, Mr. PASCRELL, Mr. CROWLEY, and Ms. TITUS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to enhance the administration of, and reduce fraud related to, the first-time homebuyer tax credit, and for other purposes.

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 “Homebuyer Tax Credit
5 Improvement Act of 2009”.

6 **SEC. 2. PROVISIONS TO ENHANCE THE ADMINISTRATION**

7 **OF THE FIRST-TIME HOMEBUYER TAX CRED-**

8 **IT.**

9 (a) AGE LIMITATION.—

1 (1) IN GENERAL.—Subsection (b) of section 36
2 of the Internal Revenue Code of 1986 is amended by
3 adding at the end the following new paragraph:

4 “(3) AGE LIMITATION.—No credit shall be al-
5 lowed under subsection (a) with respect to the pur-
6 chase of any residence unless the taxpayer has at-
7 tained age 18 as of the date of such purchase. In
8 the case of any taxpayer who is married (within the
9 meaning of section 7703), the taxpayer shall be
10 treated as meeting the age requirement of the pre-
11 ceding sentence if the taxpayer or the taxpayer’s
12 spouse meets such age requirement.”.

13 (2) CONFORMING AMENDMENT.—Subsection (g)
14 of section 36 of such Code is amended by striking
15 “subsections (c) and (f)(4)(D)” and inserting “sub-
16 section (b)(3), (c), and (f)(4)(D)”.

17 (b) DOCUMENTATION REQUIREMENT.—Subsection
18 (d) of section 36 of such Code is amended by striking “or”
19 at the end of paragraph (1), by striking the period at the
20 end of paragraph (2) and inserting “, or”, and by adding
21 at the end the following new paragraph:

22 “(3) the taxpayer fails to attach to the return
23 of tax for such taxable year a properly executed copy
24 of the settlement statement used to complete such
25 purchase.”.

1 (c) RESTRICTION ON MARRIED INDIVIDUAL ACQUIR-
2 ING RESIDENCE FROM FAMILY OF SPOUSE.—Clause (i)
3 of section 36(c)(3)(A) of such Code is amended by insert-
4 ing “(or, if married, such individual’s spouse)” after “per-
5 son acquiring such property”.

6 (d) CERTAIN ERRORS WITH RESPECT TO THE
7 FIRST-TIME HOMEBUYER TAX CREDIT TREATED AS
8 MATHEMATICAL OR CLERICAL ERRORS.—Paragraph (2)
9 of section 6213(g) of such Code is amended by striking
10 “and” at the end of subparagraph (M), by striking the
11 period at the end of subparagraph (N) and inserting “,
12 and”, and by inserting after subparagraph (N) the fol-
13 lowing new subparagraph:

14 “(O) an entry on a return claiming the
15 credit under section 36 if—

16 “(i) the Secretary obtains information
17 from the person issuing the TIN of the
18 taxpayer that indicates that the taxpayer
19 does not meet the age requirement of sec-
20 tion 36(b)(3),

21 “(ii) information provided to the Sec-
22 retary by the taxpayer on an income tax
23 return for at least one of the 2 preceding
24 taxable years is inconsistent with eligibility
25 for such credit, or

1 “(iii) the taxpayer fails to attach to
2 the return the form described in section
3 36(d)(3).”.

4 (e) EFFECTIVE DATE.—

5 (1) IN GENERAL.—Except as otherwise pro-
6 vided in this subsection, the amendments made by
7 this section shall apply to purchases after the date
8 of the enactment of this Act.

9 (2) DOCUMENTATION REQUIREMENT.—The
10 amendments made by subsection (b) shall apply to
11 returns for taxable years ending after the date of the
12 enactment of this Act.

13 (3) TREATMENT AS MATHEMATICAL AND CLER-
14 ICAL ERRORS.—The amendments made by sub-
15 section (d) shall apply to returns for taxable years
16 ending on or after April 9, 2008.

17 **SEC. 3. CERTAIN TAX RETURN PREPARERS REQUIRED TO**
18 **FILE RETURNS ELECTRONICALLY.**

19 (a) IN GENERAL.—Subsection (e) of section 6011 of
20 the Internal Revenue Code of 1986 is amended by adding
21 at the end the following new paragraph:

22 “(3) SPECIAL RULE FOR TAX RETURN PRE-
23 PARERS.—

24 “(A) IN GENERAL.—The Secretary shall
25 require than any individual income tax return

1 prepared by a tax return preparer be filed on
2 magnetic media if—

3 “(i) such return is filed by such tax
4 return preparer, and

5 “(ii) such tax return preparer is a
6 specified tax return preparer for the cal-
7 endar year during which such return is
8 filed.

9 “(B) SPECIFIED TAX RETURN PRE-
10 PARER.—For purposes of this paragraph, the
11 term ‘specified tax return preparer’ means, with
12 respect to any calendar year, any tax return
13 preparer unless such preparer reasonably ex-
14 pects to file 100 or fewer individual income tax
15 returns during such calendar year.

16 “(C) INDIVIDUAL INCOME TAX RETURN.—
17 For purposes of this paragraph, the term ‘indi-
18 vidual income tax return’ means any return of
19 the tax imposed by subtitle A on individuals, es-
20 tates, or trusts.”.

21 (b) CONFORMING AMENDMENT.—Paragraph (1) of
22 section 6011(e) of such Code is amended by striking “The
23 Secretary may not” and inserting “Except as provided in
24 paragraph (3), the Secretary may not”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to returns filed after December 31,
3 2010.

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