

117TH CONGRESS
1ST SESSION

H. R. 5833

To amend the Internal Revenue Code of 1986 to modify certain provisions related to horses.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 2021

Mr. BARR 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 modify certain provisions related to horses.

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 “Equine Tax Fairness
5 Act”.

1 **SEC. 2. REDUCTION OF HOLDING PERIOD TO 12 MONTHS**
2 **FOR PURPOSES OF DETERMINING WHETHER**
3 **HORSES ARE SECTION 1231 ASSETS.**

4 (a) IN GENERAL.—Section 1231(b)(3)(A) of the In-
5 ternal Revenue Code of 1986 is amended by striking “and
6 horses”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 this section shall apply to taxable years beginning after
9 December 31, 2021.

10 **SEC. 3. THREE-YEAR DEPRECIATION FOR RACE HORSES.**

11 (a) IN GENERAL.—Section 168(e)(3)(A)(i) of the In-
12 ternal Revenue Code of 1986 is amended to read as fol-
13 lows:

14 “(i) any race horse,”.

15 (b) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to property placed in service after
17 December 31, 2021.

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