

119TH CONGRESS
1ST SESSION

H. R. 2198

To amend the Internal Revenue Code of 1986 to restore the taxable REIT subsidiary asset test.

IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 2025

Mr. KELLY of Pennsylvania (for himself, Mr. SCHNEIDER, Mr. FEENSTRA, Mr. PANETTA, Mr. LAHOOD, Ms. MOORE of Wisconsin, Mr. MOORE of Utah, Mr. DAVIS of Illinois, Ms. TENNEY, Ms. DELBENE, Mr. FITZPATRICK, Mr. SUOZZI, Mr. BUCHANAN, Mr. MURPHY, Mr. SMITH of Nebraska, and Mr. ESTES) 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 restore the taxable REIT subsidiary asset test.

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. RESTORATION OF TAXABLE REIT SUBSIDIARY**
4 **ASSET TEST.**

5 (a) IN GENERAL.—Section 856(c)(4)(B)(ii) of the In-
6 ternal Revenue Code of 1986 is amended by striking “20
7 percent” and inserting “25 percent”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2025.

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