

119TH CONGRESS  
1ST SESSION

# H. R. 3745

To prohibit individuals and entities from owning more than 75 single-family residences, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 5, 2025

Ms. ADAMS (for herself, Mrs. McIVER, Mr. FIELDS, and Mr. THOMPSON of Mississippi) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To prohibit individuals and entities from owning more than 75 single-family residences, 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 “American Neighbor-  
5 hoods Protection Act of 2025”.

1 **SEC. 2. EXCISE TAX ON CERTAIN TAXPAYERS FAILING TO**  
 2 **SELL EXCESS SINGLE-FAMILY RESIDENCES.**

3 (a) IN GENERAL.—Subtitle D of the Internal Rev-  
 4 enue Code of 1986 is amended by adding at the end the  
 5 following new chapter:

6 **“CHAPTER 50B—EXCESS SINGLE-FAMILY**  
 7 **RESIDENCES**

“Sec. 5000E. Excess single-family residences.

8 **“SEC. 5000E. EXCESS SINGLE-FAMILY RESIDENCES.**

9 “(a) IN GENERAL.—There is hereby imposed on each  
 10 covered taxpayer for each taxable year a tax in an amount  
 11 equal to the product of—

12 “(1) \$10,000, and

13 “(2) the excess of—

14 “(A) the number of single-family resi-  
 15 dences owned by the taxpayer as of the last day  
 16 of the taxable year, over

17 “(B) 75.

18 “(b) COVERED TAXPAYER.—For purposes of this sec-  
 19 tion—

20 “(1) IN GENERAL.—The term ‘covered tax-  
 21 payer’ means a taxpayer that is not—

22 “(A) a mortgage note holder that owns a  
 23 single-family residence through foreclosure,

1 “(B) a organization which is described in  
2 subsection 501(c)(3) and exempt from tax  
3 under section 501(a),

4 “(C) a person primarily engaged in the  
5 construction or rehabilitation of single-family  
6 residences, or

7 “(D) a person who owns federally sub-  
8 sidized housing.

9 “(2) AGGREGATION RULES.—

10 “(A) IN GENERAL.—For purposes of this  
11 section, all persons which are treated as a sin-  
12 gle employer under subsections (a) and (b) of  
13 section 52 shall be treated as a single taxpayer.

14 “(B) MODIFICATIONS.—For purposes of  
15 this paragraph—

16 “(i) section 52(a) shall be applied by  
17 substituting ‘component members’ for  
18 ‘members’, and

19 “(ii) for purposes of applying sub-  
20 section (b), the term ‘trade or business’  
21 shall include any activity treated as a trade  
22 or business under paragraph (5) or (6) of  
23 subsection (c) (determined without regard  
24 to the phrase ‘to the extent provided in  
25 regulations’ in such paragraph (6)).

1           “(C) COMPONENT MEMBER.—For pur-  
 2           poses of this paragraph, the term ‘component  
 3           member’ has the meaning given such term by  
 4           section 1563(b), except that the determination  
 5           shall be made without regard to subsection  
 6           (b)(2).

7           “(c) OTHER RULES AND DEFINITIONS.—For pur-  
 8           poses of this section:

9           “(1) SINGLE-FAMILY RESIDENCE.—The term  
 10          ‘single-family residence’ means a residential property  
 11          consisting not more than 4 dwelling units.

12          “(2) OWN.—

13                 “(A) IN GENERAL.—The term ‘own’, with  
 14                 respect to a single-family residence, means hav-  
 15                 ing a direct majority ownership interest in the  
 16                 single-family residence.

17                 “(B) SPECIAL RULE FOR CERTAIN  
 18                 SALES.—

19                         “(i) IN GENERAL.—Notwithstanding  
 20                         subparagraph (A), for purposes of sub-  
 21                         sections (a)(2)(A), any single-family resi-  
 22                         dence which is owned by a covered tax-  
 23                         payer as of the first day of the taxable  
 24                         year and which is sold or transferred dur-  
 25                         ing such taxable year by the covered tax-

1           payer in a sale or transfer described in  
2           clause (ii) shall be treated as a single-fam-  
3           ily residence which is owned by the covered  
4           taxpayer as of the last day of such taxable  
5           year.

6           “(ii) SALES DESCRIBED.—A sale or  
7           transfer is described in this clause if such  
8           sale or transfer is a sale or transfer to—

9                   “(I) a corporation or entity en-  
10                  gaged in a trade or business,

11                  “(II) a group of more than 2 in-  
12                  dividuals, or

13                  “(III) a person who owns any  
14                  other single-family residence at the  
15                  time of such sale.

16       “(d) REPORTING.—

17           “(1) IN GENERAL.—The Secretary shall require  
18           such reporting as the Secretary determines nec-  
19           essary or appropriate to carry out the purposes of  
20           this section, including requiring a certification of the  
21           following from each purchaser or transferee of a sin-  
22           gle-family residence:

23                   “(A) The name and address of the pur-  
24                  chaser or transferee.

1 “(B) Identify whether the sale is a sale de-  
 2 scribed in subsection (c)(2)(B)(ii) of the Inter-  
 3 nal Revenue Code 1986.

4 “(2) FAILURE TO REPORT.—

5 “(A) IN GENERAL.—Any person who fails  
 6 to report information required under paragraph  
 7 (1) or who fails to include correct information  
 8 in such report shall pay a penalty of \$50,000.

9 “(B) REASONABLE CAUSE WAIVER.—No  
 10 penalty shall be imposed under this paragraph  
 11 with respect to any failure if it is shown that  
 12 such failure is due to reasonable cause and not  
 13 to willful neglect.

14 “(C) TREATMENT OF PENALTY.—The pen-  
 15 alty under this paragraph shall be paid upon  
 16 notice and demand by the Secretary, and shall  
 17 be assessed and collected in the same manner  
 18 as an assessable penalty under subchapter B of  
 19 chapter 68.”.

20 (b) CLERICAL AMENDMENT.—The table of chapters  
 21 for subtitle D of the Internal Revenue Code of 1986 is  
 22 amended by adding at the end the following new item:

“CHAPTER 50B—EXCESS SINGLE-FAMILY RESIDENCES”.

23 (c) EFFECTIVE DATE.—The amendments made by  
 24 this section shall apply to taxable years beginning after  
 25 December 31, 2025.

1 **SEC. 3. USE OF TAX REVENUES FOR DOWN PAYMENT AS-**  
2 **SISTANCE GRANTS.**

3 (a) ESTABLISHMENT OF HOUSING TRUST FUND.—

4 (1) IN GENERAL.—Subchapter A of chapter 98  
5 of the Internal Revenue Code of 1986 is amended by  
6 adding at the end the following new section:

7 **“SEC. 9512. HOUSING TRUST FUND.**

8 “(a) CREATION OF TRUST FUND.—There is estab-  
9 lished in the Treasury of the United States a trust fund  
10 to be known as the Housing Trust Fund (hereinafter in  
11 this section referred to as the ‘Trust Fund’), consisting  
12 of such amounts as may be appropriated or credited to  
13 such Trust Fund as provided in this section and section  
14 9602(b).

15 “(b) TRANSFERS TO TRUST FUND.—There are here-  
16 by appropriated to the Housing Trust Fund amounts  
17 equivalent to revenues received in the Treasury from the  
18 tax imposed by section 5000E.

19 “(c) EXPENDITURES FROM TRUST FUND.—Amounts  
20 in the Housing Trust Fund shall be available, as provided  
21 in appropriations Acts, only for grants under section 3(b)  
22 of the American Neighborhoods Protection Act of 2025.”.

23 (2) CLERICAL AMENDMENT.—The table of sec-  
24 tions for subchapter A of chapter 98 of the Internal

1 Revenue Code of 1986 is amended by adding at the  
2 end the following new item:

“Sec. 9512. Housing Trust Fund.”.

3 (b) GRANTS PROGRAM FOR DOWN PAYMENT ASSIST-  
4 ANCE PROGRAMS.—

5 (1) ESTABLISHMENT.—The Secretary of Hous-  
6 ing and Urban Development shall establish a pro-  
7 gram under which the Secretary makes grants to  
8 State housing finance agencies to establish new or  
9 supplement existing programs that provide down  
10 payment assistance to families purchasing homes  
11 within the State.

12 (2) PRIORITY.—A State housing finance agency  
13 that receives a grant under this section shall give  
14 priority to families seeking assistance to purchase  
15 any single-family residence that is sold or trans-  
16 ferred by a covered taxpayer (as defined in section  
17 5000E(b) of the Internal Revenue Code of 1986, as  
18 added by section 2).

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