

119TH CONGRESS
2D SESSION

H. R. 9841

To amend the Internal Revenue Code of 1986 to modernize rules related to publicly traded partnerships, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2026

Mr. CAREY 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 modernize rules related to publicly traded partnerships, 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 “Advancing Capital for
5 Critical Energy Supply and Security Act” or the “AC-
6 CESS Act”.

7 **SEC. 2. MODERNIZATION OF RULES RELATED TO PUBLICLY**
8 **TRADED PARTNERSHIPS.**

9 (a) EXCLUSION OF CERTAIN PUBLICLY TRADED
10 CLASSES OF UNITS FROM UNRELATED BUSINESS TAX-

1 ABLE INCOME.—Section 512(b) of the Internal Revenue
 2 Code of 1986 is amended by adding at the end the fol-
 3 lowing new paragraph:

4 “(20) TREATMENT OF PUBLICLY TRADED
 5 CLASSES OF UNITS OF PUBLICLY TRADED PARTNER-
 6 SHIPS.—There shall be excluded any income, gain,
 7 deduction, loss, or credit attributable to publicly
 8 traded classes of units of a publicly traded partner-
 9 ship (as defined in section 7704(b)) which is not
 10 treated as a corporation under section 7704(c), pro-
 11 vided that the beneficial owner of such publicly trad-
 12 ed classes of units owns (or is considered as owning
 13 within the meaning of section 318) less than 5 per-
 14 cent of the capital or profits of such publicly traded
 15 partnership.”.

16 (b) MODIFICATION OF 25 PERCENT ASSET TEST FOR
 17 REGULATED INVESTMENT COMPANIES.—Section
 18 851(b)(3)(B) of such Code is amended—

19 (1) in clause (i), by adding “or” at the end,
 20 (2) in clause (ii), by striking “, or” at the end
 21 and inserting a period, and
 22 (3) by striking clause (iii).

23 (c) ELIMINATION OF SEPARATE APPLICATION OF
 24 PASSIVE ACTIVITY RULES IN CASE OF PUBLICLY TRADED
 25 PARTNERSHIPS.—Section 469 of such Code is amended

1 by striking subsection (k) and by redesignating subsection
2 (l) as subsection (k).

3 (d) CERTAIN INTERESTS IN PUBLICLY TRADED
4 PARTNERSHIPS NOT TREATED AS EFFECTIVELY CON-
5 NECTED INCOME.—

6 (1) IN GENERAL.—Section 864(c)(8) of such
7 Code is amended by redesignating subparagraphs
8 (C) through (E) as subparagraphs (D) through (F),
9 respectively, and by inserting after subparagraph
10 (B) the following new subparagraph:

11 “(C) EXCEPTION FOR CERTAIN INTERESTS
12 IN PUBLICLY TRADED PARTNERSHIPS.—Sub-
13 paragraph (A) shall not apply in the case of a
14 partner’s sale or exchange of a class of partner-
15 ship interest which is regularly traded on an es-
16 tablished securities exchange, but only if at all
17 times during the 5-year period ending on the
18 date of such sale or exchange, the partner held
19 not more than 10 percent of such class.”.

20 (2) WITHHOLDING REQUIREMENTS.—Section
21 1446(f)(1) of such Code is amended by inserting “,
22 other than a class of partnership interest which is
23 regularly traded on an established securities ex-
24 change,” after “interest in a partnership”.

1 (e) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2026.

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