

105TH CONGRESS
1ST SESSION

H. R. 1672

To amend the Internal Revenue Code of 1986 to permit tax-free distributions of property by cooperative housing corporations to its shareholders, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 20, 1997

Mr. SCHUMER 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 permit tax-free distributions of property by cooperative housing corporations to its shareholders, 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. TAX-FREE DISTRIBUTIONS BY COOPERATIVE**
4 **HOUSING CORPORATIONS.**

5 (a) IN GENERAL.—Subsection (e) of section 216 of
6 the Internal Revenue Code of 1986 (relating to distribu-
7 tions by cooperative housing corporations) is amended to
8 read as follows:

1 “(e) DISTRIBUTIONS BY COOPERATIVE HOUSING
2 CORPORATIONS.—Except as provided in regulations—

3 “(1) no gain or loss shall be recognized to a co-
4 operative housing corporation on the distribution by
5 such corporation of a dwelling unit to a stockholder
6 in such corporation if such distribution is in ex-
7 change for the stockholder’s stock in such corpora-
8 tion, and

9 “(2) no gain or loss shall be recognized to a
10 stockholder of such corporation on the transfer of
11 such stockholder’s stock in an exchange described in
12 paragraph (1).”

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to distributions after the date of
15 the enactment of this Act.

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