

107TH CONGRESS
2D SESSION

H. R. 5339

To amend the Internal Revenue Code of 1986 to repeal the provision that limited the interest deduction on refinanced home mortgage indebtedness to the amount of the indebtedness being refinanced.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 5, 2002

Mr. REYNOLDS 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 repeal the provision that limited the interest deduction on refinanced home mortgage indebtedness to the amount of the indebtedness being refinanced.

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 “Homeowner Refinance
5 Fairness Act of 2002”.

1 **SEC. 2. REPEAL OF REFINANCING LIMITATION ON DEDUC-**
2 **TION FOR HOME MORTGAGE INTEREST.**

3 (a) IN GENERAL.—The last sentence of section
4 163(h)(3)(B)(i) of the Internal Revenue Code of 1986 is
5 amended amended to read as follows:
6 “Such term also includes any indebtedness secured by
7 such residence resulting from the refinancing of indebted-
8 ness meeting the requirements of the preceding sentence
9 (or this sentence); but only to the extent the amount of
10 the indebtedness resulting from such refinancing does not
11 exceed the limitation under clause (ii).”

12 (b) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to taxable years beginning after
14 the date of the enactment of this Act.

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