

111TH CONGRESS
2^D SESSION

H. R. 6056

To amend the Internal Revenue Code of 1986 to treat certain employee-funded pensions created before June 25, 1959, in the same manner as qualified trusts for purposes of unrelated debt-financed income derived from real property, and to increase the limitation on elective deferrals to such employee-funded pensions.

IN THE HOUSE OF REPRESENTATIVES

JULY 30, 2010

Mr. NEAL of Massachusetts 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 treat certain employee-funded pensions created before June 25, 1959, in the same manner as qualified trusts for purposes of unrelated debt-financed income derived from real property, and to increase the limitation on elective deferrals to such employee-funded pensions.

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. EXEMPTION FOR INCOME FROM LEVERAGED**
4 **REAL ESTATE HELD BY 501(c)(18) TRUST.**

5 (a) IN GENERAL.—Subparagraph (C) of section
6 514(c)(9) of the Internal Revenue Code of 1986 (relating

1 to real property acquired by a qualified organization) is
2 amended by striking “or” at the end of clause (iii), by
3 striking the period at the end of clause (iv) and inserting
4 “; or”, and by adding at the end the following new clause:

5 “(v) a trust described in section
6 501(c)(18).”.

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

10 **SEC. 2. ELECTIVE DEFERRAL PARITY FOR 501(c)(18)**
11 **TRUSTS.**

12 (a) IN GENERAL.—Subparagraph (A) of section
13 219(b)(3) of the Internal Revenue Code of 1986 (relating
14 to plans under section 501(c)(18)) is amended by striking
15 “\$7,000” and inserting “the amount in effect for the tax-
16 able year under section 402(g)(1)(B)”.

17 (b) EFFECTIVE DATE.—The amendment made by
18 this section shall apply to taxable years beginning after
19 the date of the enactment of this Act.

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