

112TH CONGRESS
2D SESSION

H. R. 6627

To amend the Internal Revenue Code of 1986 to allow a credit for veteran first-time homebuyers and for adaptive housing and mobility improvements for disabled veterans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 3, 2012

Mr. LANGEVIN 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 allow a credit for veteran first-time homebuyers and for adaptive housing and mobility improvements for disabled veterans, 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 “Veterans Homebuyer
5 Accessibility Act of 2012”.

1 **SEC. 2. VETERAN FIRST-TIME HOMEBUYER TAX CREDIT.**

2 (a) IN GENERAL.—Subsection (a) of section 36 of the
3 Internal Revenue Code of 1986 is amended to read as fol-
4 lows:

5 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-
6 gible veteran who purchases a principal residence in the
7 United States during the taxable year, there shall be al-
8 lowed as a credit against the tax imposed by this subtitle
9 for such taxable year an amount equal to 10 percent of
10 the purchase price of the residence.”.

11 (b) ADDITIONAL LIMITATION FOR ADAPTIVE HOUS-
12 ING IMPROVEMENTS.—Paragraph (1) of section 36(b) of
13 such Code is amended by redesignating subparagraphs
14 (B), (C), and (D) as subparagraphs (C), (D), and (E),
15 respectively, and by inserting after subparagraph (A) the
16 following new subparagraph:

17 “(B) SPECIAL RULE FOR ADAPTIVE HOUS-
18 ING IMPROVEMENTS.—In the case of a principal
19 residence with special fixtures or movable facili-
20 ties made necessary by the nature of the dis-
21 ability of the veteran, if such fixtures and facili-
22 ties are—

23 “(i) provided to the veteran pursuant
24 to specially adapted housing assistance
25 under chapter 21 of title 38, United States
26 Code, or

1 “(ii) similar to such fixtures and fa-
 2 cilities that would be provided to the vet-
 3 eran if the veteran received such assist-
 4 ance,

5 then subparagraph (A) shall be increased by the
 6 lesser of \$8,000 or the portion of the purchase
 7 price of the principal residence attributable
 8 such fixtures or movable facilities.”.

9 (c) ELIGIBLE VETERAN.—

10 (1) IN GENERAL.—Paragraph (1) of section
 11 36(c) of such Code is amended by striking “FIRST-
 12 TIME HOMEBUYER.—The term ‘first time home-
 13 buyer’ means any individual” and inserting “ELIGI-
 14 BLE VETERAN.—The term ‘eligible veteran’ means
 15 any individual who is a veteran (as defined in sec-
 16 tion 101(2) of title 38, United States Code)”.

17 (2) LONG-TIME RESIDENT.—Paragraph (6) of
 18 section 36(c) of such Code is amended by striking
 19 “treated as a first-time homebuyer” and inserting
 20 “treated as meeting the no present ownership inter-
 21 est requirement of paragraph (1)”.

22 (d) RECAPTURE OF CREDIT.—Subsection (f) of sec-
 23 tion 36 is amended to read as follows:

24 “(f) RECAPTURE OF CREDIT.—

1 “(1) IN GENERAL.—If a taxpayer disposes of
2 the principal residence with respect to which a credit
3 was allowed under subsection (a) (or such residence
4 ceases to be the principal residence of the taxpayer
5 (and, if married, the taxpayer’s spouse)) before the
6 end of the 36-month period beginning on the date of
7 the purchase of such residence by the taxpayer the
8 tax imposed by this chapter for the taxable year of
9 such disposition or cessation shall be increased by
10 the amount of the credit so allowed.

11 “(2) EXCEPTIONS.—

12 “(A) DEATH OF TAXPAYER.—Paragraphs
13 (1) shall not apply to any taxable year ending
14 after the date of the taxpayer’s death.

15 “(B) INVOLUNTARY CONVERSION.—Para-
16 graph (1) shall not apply in the case of a resi-
17 dence which is compulsorily or involuntarily
18 converted (within the meaning of section
19 1033(a)) if the taxpayer acquires a new prin-
20 cipal residence during the 2-year period begin-
21 ning on the date of the disposition or cessation
22 referred to in paragraph (1). Paragraph (1)
23 shall apply to such new principal residence dur-
24 ing the 36-month period referred to therein in

1 the same manner as if such new principal resi-
2 dence were the converted residence.

3 “(C) TRANSFERS BETWEEN SPOUSES OR
4 INCIDENT TO DIVORCE.—In the case of a trans-
5 fer of a residence to which section 1041(a) ap-
6 plies—

7 “(i) paragraph (1) shall not apply to
8 such transfer, and

9 “(ii) in the case of taxable years end-
10 ing after such transfer, paragraph (1) shall
11 apply to the transferee in the same manner
12 as if such transferee were the transferor
13 (and shall not apply to the transferor).

14 “(D) SPECIAL RULE FOR MEMBERS OF
15 THE ARMED FORCES, ETC.—

16 “(i) IN GENERAL.—In the case of the
17 disposition of a principal residence by an
18 individual (or a cessation referred to in
19 paragraph (1)) in connection with Govern-
20 ment orders received by such individual, or
21 such individual’s spouse, for qualified offi-
22 cial extended duty service, paragraph (1)
23 shall not apply to such disposition (or ces-
24 sation).

1 “(ii) QUALIFIED OFFICIAL EXTENDED
2 DUTY SERVICE.—For purposes of this sec-
3 tion, the term ‘qualified official extended
4 duty service’ means service on qualified of-
5 ficial extended duty as—

6 “(I) a member of the uniformed
7 services,

8 “(II) a member of the Foreign
9 Service of the United States, or

10 “(III) an employee of the intel-
11 ligence community.

12 “(iii) DEFINITIONS.—Any term used
13 in this subparagraph which is also used in
14 paragraph (9) of section 121(d) shall have
15 the same meaning as when used in such
16 paragraph.

17 “(3) JOINT RETURNS.—In the case of a credit
18 allowed under subsection (a) with respect to a joint
19 return, half of such credit shall be treated as having
20 been allowed to each individual filing such return for
21 purposes of this subsection.

22 “(4) RETURN REQUIREMENT.—If the tax im-
23 posed by this chapter for the taxable year is in-
24 creased under this subsection, the taxpayer shall,
25 notwithstanding section 6012, be required to file a

1 return with respect to the taxes imposed under this
2 subtitle.”.

3 (e) APPLICATION OF CREDIT.—Subsection (h) of sec-
4 tion 36 of the Internal Revenue Code of 1986 is amended
5 to read as follows:

6 “(h) TERMINATION.—This section shall not apply to
7 any residence purchased after December 31, 2016.”.

8 (f) ASSIGNMENT OF CREDIT IN CASE OF CONSTRUC-
9 TION.—Section 36, as amended by this Act, is amended
10 by adding at the end the following new subsection:

11 “(i) CREDIT MAY BE ASSIGNED.—

12 “(1) IN GENERAL.—In the case of a residence
13 constructed by the taxpayer, if such taxpayer elects
14 the application of this subsection for any taxable
15 year, any portion of the credit determined under this
16 section which is attributable to an increase under
17 subparagraph (B) of subsection (b)(1) for such year
18 which would (but for this subsection) be allowable to
19 the taxpayer may be assigned to any person who is
20 an eligible designee. The person so designated shall
21 be allowed the amount of the credit so assigned and
22 shall be treated as the taxpayer with respect to such
23 credit for purposes of this title (other than this
24 paragraph), except that such credit shall be treated

1 as a credit listed in section 38(b) for such taxable
 2 year (and not allowed under subsection (a)).

3 “(2) ELIGIBLE DESIGNEE.—For purposes of
 4 paragraph (1), the term ‘eligible designee’ means
 5 any person who, with respect to the residence, pro-
 6 vides or installs any improvements, special fixtures,
 7 or movable facilities to which the credit is attrib-
 8 utable under subparagraphs (B) of subsection
 9 (b)(1).

10 “(3) ELECTION REQUIREMENTS.—Any election
 11 under paragraph (1) shall include such information
 12 and shall be made at such time, and in such form
 13 and manner, as the Secretary shall by regulation
 14 prescribe.”.

15 (g) CONFORMING AMENDMENTS.—

16 (1) Paragraph (2) of section 26(b) of such Code
 17 is amended by striking “and” at the end of subpara-
 18 graph (W), by striking the period at the end of sub-
 19 paragraph (X) and inserting “, and”, and by adding
 20 at the end the following new subparagraph:

21 “(Y) section 36(f) (relating to recapture of
 22 veteran first-time homebuyer tax credit).”.

23 (2) Section 38(b) is amended by striking “plus”
 24 at the end of paragraph (35), by striking the period
 25 at the end of paragraph (36) and inserting “, and”,

1 and by adding at the end the following new para-
 2 graph:

3 “(37) the portion of the veteran first-time
 4 homebuyers credit assigned to the taxpayer to which
 5 the second sentence of section 36(i)(1) applies,”.

6 (3) The heading for section 1400C(e)(4) is
 7 amended by striking “NATIONAL FIRST-TIME HOME-
 8 BUYERS CREDIT” and inserting “VETERAN FIRST-
 9 TIME HOMEBUYERS CREDIT”.

10 (h) CLERICAL AMENDMENT.—The item relating to
 11 section 36 in the table of sections for subpart C of part
 12 IV of subchapter A of chapter 1 of such Code is amended
 13 to read as follows:

“Sec. 36. Veteran first-time homebuyer credit.”.

14 (i) EFFECTIVE DATE.—The amendments made by
 15 this section shall apply to residences purchased after the
 16 date of the enactment of this Act.

17 **SEC. 3. VETERAN HOME MOBILITY IMPROVEMENT CREDIT.**

18 (a) IN GENERAL.—Subpart C of part IV of sub-
 19 chapter A of chapter 1 of the Internal Revenue Code of
 20 1986 is amended by inserting before section 37 the fol-
 21 lowing new section:

22 **“SEC. 36C. VETERAN HOME MOBILITY IMPROVEMENT**
 23 **CREDIT.**

24 “(a) IN GENERAL.—In the case of a veteran, there
 25 shall be allowed as a credit against the tax imposed by

1 this subtitle for any taxable year an amount equal to the
2 amount paid or incurred by the taxpayer for qualified
3 adaptive housing improvements for the taxable year.

4 “(b) LIMITATION.—The credit allowed under sub-
5 section (a) shall not exceed \$8,000.

6 “(c) QUALIFIED ADAPTIVE HOUSING IMPROVE-
7 MENT.—For purposes of this section, the term ‘qualified
8 adaptive housing improvement’ means special fixtures or
9 movable facilities with respect to the principal residence
10 of the veteran which are made necessary by the nature
11 of the disability of the veteran, if such fixtures and facili-
12 ties are—

13 “(1) provided to the veteran pursuant to spe-
14 cially adapted housing assistance under chapter 21
15 of title 38, United States Code, or

16 “(2) similar to such fixtures and facilities that
17 would be provided to the veteran if the veteran re-
18 ceived such assistance.

19 “(d) CREDIT MAY BE ASSIGNED.—

20 “(1) IN GENERAL.—If the taxpayer elects the
21 application of this subsection for any taxable year,
22 any portion of the credit under this section for such
23 year which would (but for this subsection) be allow-
24 able to the taxpayer may be assigned to any person
25 who is an eligible designee. The person so designated

1 shall be allowed the amount of the credit so assigned
2 and shall be treated as the taxpayer with respect to
3 such credit for purposes of this title (other than this
4 paragraph), except that such credit shall be treated
5 as a credit listed in section 38(b) for such taxable
6 year (and not allowed under subsection (a)).

7 “(2) ELIGIBLE DESIGNEE.—For purposes of
8 paragraph (1), the term ‘eligible designee’ means
9 any person who, with respect to the residence, pro-
10 vides or installs any qualified adaptive housing im-
11 provements to which the credit under this section is
12 attributable.

13 “(3) ELECTION REQUIREMENTS.—Any election
14 under paragraph (1) shall include such information
15 and shall be made at such time, and in such form
16 and manner, as the Secretary shall by regulation
17 prescribe.”.

18 (b) CONFORMING AMENDMENTS.—

19 (1) Section 1324(b)(2) of title 31, United
20 States Code, is amended by inserting “, 36C” after
21 “36B”.

22 (2) Section 38(b), as amended by this Act, is
23 amended by striking “plus” at the end of paragraph
24 (36), by striking the period at the end of paragraph

1 (37) and inserting “, and”, and by adding at the
2 end the following new paragraph:

3 “(38) the portion of the veteran home mobility
4 improvement credit assigned to the taxpayer to
5 which the second sentence of section 36C(d)(1) ap-
6 plies”.

7 (3) The table of sections for subpart C of part
8 IV of subchapter A of chapter 1 of the Internal Rev-
9 enue Code of 1986 is amended by inserting before
10 the item relating to section 37 the following new
11 item:

“Sec. 36C. Veteran home mobility improvement credit.”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to taxable years beginning after
14 December 31, 2012.

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