

115TH CONGRESS
2D SESSION

H. R. 6999

To amend the Internal Revenue Code of 1986 to exclude from gross income gain the sale of land and/or other qualified real property interests in sales for conservation purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 2018

Mr. MEADOWS 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 exclude from gross income gain the sale of land and/or other qualified real property interests in sales for conservation 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 “Conservation Capital
5 Gains Exclusion Act of 2018”.

1 **SEC. 2. EXCLUSION OF GAIN FROM SALE OF LAND OR**
 2 **QUALIFIED REAL PROPERTY INTERESTS FOR**
 3 **CONSERVATION PURPOSES.**

4 (a) IN GENERAL.—Part III of subchapter B of chap-
 5 ter 1 of the Internal Revenue Code of 1986 is amended
 6 by inserting before section 140 the following new section:

7 **“SEC. 139H. GAIN FROM SALE OF LAND OR QUALIFIED**
 8 **REAL PROPERTY INTERESTS FOR CONSERVA-**
 9 **TION PURPOSES.**

10 “(a) IN GENERAL.—Gross income shall not include
 11 any gain from the sale of land or a qualified real property
 12 interest to a qualified organization exclusively for con-
 13 servation purposes.

14 “(b) DEFINITIONS.—For purposes of this section—

15 “(1) QUALIFIED REAL PROPERTY INTEREST.—

16 “(A) IN GENERAL.—The term ‘qualified
 17 real property interest’ means any of the fol-
 18 lowing interests in real property:

19 “(i) The entire interest of the tax-
 20 payer.

21 “(ii) A remainder interest.

22 “(iii) A restriction (granted in per-
 23 petuity) on the use which may be made of
 24 the real property.

25 “(B) SPECIAL RULE FOR MINERAL INTER-
 26 ESTS.—An interest in real property shall not

1 fail to be treated as a qualified real property in-
2 terest solely by reason of a retention of a quali-
3 fied mineral interest.

4 “(2) QUALIFIED ORGANIZATION; CONSERVA-
5 TION PURPOSES.—The terms ‘qualified organization’
6 and ‘conservation purpose’ shall have the respective
7 meanings given such terms by section 170(h).”.

8 (b) CLERICAL AMENDMENT.—The table of sections
9 for part III of subchapter B of chapter 1 of such Code
10 is amended by inserting before the item relating to section
11 140 the following new item:

“Sec. 139H. Gain from sale or grant of conservation easement.”.

12 (c) 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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