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118TH CONGRESS
2D SESSION

H. R. 10541

To amend the Internal Revenue Code of 1986 to limit the deferral of gain for officers of the executive branch of the Federal Government in the case of the sale of property to comply with conflict-of-interest requirements.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 19, 2024

Mr. SWALWELL 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 limit the deferral of gain for officers of the executive branch of the Federal Government in the case of the sale of property to comply with conflict-of-interest requirements.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Trust and Modernization in Tax Governance Act'' or the ''TMTG Act''.

SEC. 2. LIMITATION FOR DEFERRAL OF GAIN ON SALE OF PROPERTY TO COMPLY WITH CONFLICT-OF-INTEREST REQUIREMENTS.

(a) IN GENERAL.—Section 1043(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(7) LIMITATION FOR EXECUTIVE BRANCH OFFICERS.—

"(A) IN GENERAL.—In the case of an individual who is an officer of the executive branch of the Federal Government (including the President and the Vice President), the aggregate amount of gain with respect to which such individual may elect the application of subsection (a) for all taxable years shall not exceed $100,000,000.

"(B) RECOGNITION OF GAIN AFTER SERVICE.—If, for any taxable year such individual ceases to be an eligible person, any gain—

"(i) which is not recognized by reason of subsection (a),

"(ii) which is taken into account under subparagraph (A), and

"(iii) which has not been applied to the basis of permitted property under subsection (c) in determining the gain or loss on the sale of such property,

shall be recognized in such taxable year.''.

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 1043(b) of such Code is amended by strike ''DEFINITIONS'' and inserting ''DEFINITIONS AND SPECIAL RULES''.

(2) Section 1043(c) of such Code is amended by adding at the end the following: ''For purposes of the preceding sentence, appropriate adjustment to any such reduction shall be made to account for any such gain recognized under subsection (b)(7)(B).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after the date of the enactment of this Act.

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