

117TH CONGRESS  
1ST SESSION

# H. R. 5833

To amend the Internal Revenue Code of 1986 to modify certain provisions related to horses.

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IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 2021

Mr. BARR introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to modify certain provisions related to horses.

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 “Equine Tax Fairness  
5 Act”.

1 **SEC. 2. REDUCTION OF HOLDING PERIOD TO 12 MONTHS**  
2 **FOR PURPOSES OF DETERMINING WHETHER**  
3 **HORSES ARE SECTION 1231 ASSETS.**

4 (a) **IN GENERAL.**—Section 1231(b)(3)(A) of the In-  
5 ternal Revenue Code of 1986 is amended by striking “and  
6 horses”.

7 (b) **EFFECTIVE DATE.**—The amendment made by  
8 this section shall apply to taxable years beginning after  
9 December 31, 2021.

10 **SEC. 3. THREE-YEAR DEPRECIATION FOR RACE HORSES.**

11 (a) **IN GENERAL.**—Section 168(e)(3)(A)(i) of the In-  
12 ternal Revenue Code of 1986 is amended to read as fol-  
13 lows:

14 “(i) any race horse,”.

15 (b) **EFFECTIVE DATE.**—The amendments made by  
16 this section shall apply to property placed in service after  
17 December 31, 2021.

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