

114TH CONGRESS
2D SESSION

H. R. 6492

To amend the Internal Revenue Code of 1986 to reduce the mortgage interest deduction relating to acquisition indebtedness for certain taxpayers.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 8, 2016

Mr. ELLISON 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 reduce the mortgage interest deduction relating to acquisition indebtedness for certain taxpayers.

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 “Tax Benefit for Home-
5 ownership Clarification Act”.

1 **SEC. 2. REDUCTION IN LIMITATION ON MORTGAGE INTER-**
 2 **EST DEDUCTION RELATING TO ACQUISITION**
 3 **INDEBTEDNESS FOR CERTAIN TAXPAYERS.**

4 (a) ACQUISITION INDEBTEDNESS.—Clause (ii) of sec-
 5 tion 163(h)(3)(B) of the Internal Revenue Code of 1986
 6 is amended to read as follows:

7 “(ii) LIMITATION.—The aggregate
 8 amount treated as acquisition indebtedness
 9 for any period shall not exceed—

10 “(I) \$1,000,000 in the case of a
 11 joint return (\$500,000 in the case of
 12 a married individual filing a separate
 13 return), and

14 “(II) the applicable amount in
 15 any other case.

16 “(iii) APPLICABLE AMOUNT.—For
 17 purposes of clause (ii)(II), the applicable
 18 amount is as follows:

“For taxable years—	The applicable amount is—
Beginning in calendar year 2017	\$900,000
Beginning in calendar year 2018	\$800,000
Beginning in calendar year 2019	\$700,000
Beginning in calendar year 2020	\$600,000
Beginning in or after calendar year 2021	\$500,000.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall apply to amounts paid or incurred
3 after December 31, 2016.

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