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(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R.

To amend the Internal Revenue Code of 1986 to provide a reduced capital gains rate on certain property acquired in 2021.

IN THE HOUSE OF REPRESENTATIVES

Mr. SCHWEIKERT introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to provide a reduced capital gains rate on certain property acquired in 2021.

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 “Invest Now Act”.

1 **SEC. 2. REDUCED CAPITAL GAINS RATE ON CERTAIN PROP-**
2 **ERTY ACQUIRED IN 2021.**

3 (a) IN GENERAL.—Section 1(h) of the Internal Rev-
4 enue Code of 1986 is amended by adding at the end the
5 following new paragraph:

6 “(12) REDUCED RATE FOR CERTAIN PROPERTY
7 ACQUIRED IN 2021.—

8 “(A) IN GENERAL.—So much of the ad-
9 justed net capital gain taxed at a rate of 20
10 percent under paragraph (1) (determined with-
11 out regard to this paragraph) to the extent at-
12 tributable to the sale or exchange of qualified
13 property shall be taxed at a rate of 5 percent
14 under such paragraph (and not 20 percent).

15 “(B) COORDINATION WITH 15 PERCENT
16 RATE.—So much of the adjusted net capital
17 gain taxed at a rate of 15 percent or 20 percent
18 under paragraph (1) (determined without re-
19 gard to this paragraph) to the extent attrib-
20 utable to the sale or exchange of qualified prop-
21 erty (reduced by so much of such gain as is
22 taxed at the rate determined under clause (i))
23 shall be taxed at a rate of 5 percent (and not
24 15 percent).

25 “(C) QUALIFIED PROPERTY.—For pur-
26 poses of this paragraph—

1 “(i) IN GENERAL.—The term ‘quali-
2 fied property’ means any property—

3 “(I) purchased (as defined in sec-
4 tion 179(d)(2)) by the taxpayer after
5 December 31, 2020, and before Janu-
6 ary 1, 2022, and

7 “(II) held by the taxpayer (as de-
8 termined under section 1223) for a
9 period of more than 5 years.

10 “(ii) EXCEPTION FOR WASH SALES.—
11 Such term shall not include any property
12 the basis of which is determined under sec-
13 tion 1091(d).”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 this section shall apply to taxable years beginning after
16 December 31, 2021.