

117TH CONGRESS
1ST SESSION

H. R. 601

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

JANUARY 28, 2021

Mr. SCHWEIKERT (for himself and Mr. NUNES) 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 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”.

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

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

1 “(12) REDUCED RATE FOR CERTAIN PROPERTY
2 ACQUIRED IN 2021.—

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

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

20 “(C) QUALIFIED PROPERTY.—For pur-
21 poses of this paragraph—

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

24 “(I) purchased (as defined in sec-
25 tion 179(d)(2)) by the taxpayer after

1 December 31, 2020, and before Janu-
2 ary 1, 2022, and

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

6 “(ii) EXCEPTION FOR WASH SALES.—
7 Such term shall not include any property
8 the basis of which is determined under sec-
9 tion 1091(d).”.

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

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