

H.R. _____

To prevent homeowners from being forced to pay taxes on forgiven mortgage loan debt.

IN THE HOUSE OF REPRESENTATIVES
JULY 23, 2013

Ms. HECK of Nevada introduced the following bill; which was referred to the Committee on

A BILL

To prevent homeowners from being forced to pay taxes on forgiven mortgage loan debt.

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 “Mortgage Forgiveness Tax Relief Act”.

SEC. 2. EXTENSION OF EXCLUSION FROM GROSS INCOME OF DISCHARGE OF QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS.

(a) In General.—Subparagraph (E) of section 108(a)(1) of the Internal Revenue Code of 1986 is amended by striking “January 1, 2014” and inserting “January 1, 2016”.

(b) Effective Date.—The amendment made by this section shall apply to indebtedness discharged after December 31, 2013.