

103^D CONGRESS
1ST SESSION

H. R. 1418

To amend the Internal Revenue Code of 1986 to provide that the treatment of tenant-stockholders in cooperative housing corporations also shall apply to stockholders of corporations that only own the land on which the residences are located.

IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 1993

Mrs. LOWEY 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 that the treatment of tenant-stockholders in cooperative housing corporations also shall apply to stockholders of corporations that only own the land on which the residences are located.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. MODIFICATION OF RULES APPLICABLE TO**
2 **TENANT-STOCKHOLDERS OF COOPERATIVE**
3 **HOUSING CORPORATIONS.**

4 (a) IN GENERAL.—Subsection (b) of section 216 of
5 the Internal Revenue Code of 1986 is amended by adding
6 at the end thereof the following new paragraph:

7 “(7) COOPERATIVE HOUSING CORPORATIONS
8 OWNING OR LEASING ONLY LAND.—

9 “(A) IN GENERAL.—The term ‘cooperative
10 housing corporation’ includes any corporation
11 which would be a cooperative housing corpora-
12 tion if ‘or situated on land owned or leased by
13 the corporation’ were inserted before the
14 comma at the end of paragraph (1)(B).

15 “(B) DETERMINATION OF WHETHER
16 STOCK IS FULLY PAID-UP.—In the case of a
17 corporation which would not be a cooperative
18 housing corporation but for subparagraph (A),
19 the determination under paragraph (2) of
20 whether the stock of any stockholder who owns
21 a house situated on land owned or leased by the
22 corporation is fully paid-up shall be based on
23 the portion of the value of the corporation’s eq-
24 uity in the land on which the houses are situ-
25 ated which is attributable to the land on which
26 such stockholder’s house is situated.

1 “(C) TRAILER PARKS EXCLUDED.—This
2 paragraph shall not apply if any house situated
3 on land owned or leased by the corporation is
4 a mobile home.”

5 (b) EFFECTIVE DATE.—The amendment made by
6 this section shall apply to taxable years beginning after
7 December 31, 1987.

○