

104TH CONGRESS
1ST SESSION

H. R. 1082

To amend the Internal Revenue Code of 1986 to provide that certain cash rentals of farmland will not cause recapture of the special estate tax valuation.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 28, 1995

Mr. ROBERTS 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 certain cash rentals of farmland will not cause recapture of the special estate tax valuation.

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. CERTAIN CASH RENTALS OF FARMLAND NOT**
4 **TO CAUSE RECAPTURE OF SPECIAL ESTATE**
5 **TAX VALUATION.**

6 (a) IN GENERAL.—Subsection (c) of section 2032A
7 of the Internal Revenue Code of 1986 (relating to tax
8 treatment of dispositions and failures to use for qualified
9 use) is amended by adding at the end thereof the following
10 new paragraph:

1 “(8) CERTAIN CASH RENTAL NOT TO CAUSE
2 RECAPTURE.—For purposes of this subsection, a
3 qualified heir shall not be treated as failing to use
4 property in a qualified use solely because such heir
5 rents such property on a net cash basis to a member
6 of the decedent’s family, but only if, during the pe-
7 riod of the lease, such member of the decedent’s
8 family uses such property in a qualified use.”

9 (b) EFFECTIVE DATE.—The amendment made by
10 subsection (a) shall apply with respect to rentals occurring
11 after December 31, 1976.

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