

115TH CONGRESS
1ST SESSION

H. R. 3670

To amend the Internal Revenue Code of 1986 to allow for a credit against tax for rent paid on the personal residence of the taxpayer.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 1, 2017

Mr. CROWLEY 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 allow for a credit against tax for rent paid on the personal residence of the taxpayer.

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 “Rent Relief Act of
5 2017”.

6 **SEC. 2. REFUNDABLE CREDIT FOR RENT PAID FOR PRIN-**
7 **CIPAL RESIDENCE.**

8 (a) IN GENERAL.—Subpart C of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by inserting after section 36B the fol-
2 lowing new section:

3 **“SEC. 36C. RENT PAID FOR PRINCIPAL RESIDENCE CREDIT.**

4 “(a) IN GENERAL.—In the case of an individual who
5 leases the individual’s principal residence (within the
6 meaning of section 121) during the taxable year and who
7 pays rent with respect to such residence in excess of 30
8 percent of the taxpayer’s gross income for such taxable
9 year, there shall be allowed as a credit against the tax
10 imposed by this subtitle for such taxable year an amount
11 equal to the applicable percentage of such excess.

12 “(b) CREDIT LIMITED BY 150 PERCENT OF FAIR
13 MARKET RENT.—Solely for purposes of determining the
14 amount of the credit allowed under subsection (a) with
15 respect to a residence for the taxable year, there shall not
16 be taken into account rent in excess of an amount equal
17 to 150 percent of the fair market rent applicable to the
18 residence involved (as most recently published, as of the
19 beginning of the taxable year, by the Department of Hous-
20 ing and Urban Development).

21 “(c) DEFINITIONS AND SPECIAL RULES.—For pur-
22 poses of this section—

23 “(1) APPLICABLE PERCENTAGE.—The applica-
24 ble percentage shall be determined in accordance
25 with the following table:

“If gross income is:	The applicable percentage is:
Not over \$25,000	100 percent
Over \$25,000, but not over \$50,000	75 percent
Over \$50,000, but not over \$75,000	50 percent
Over \$75,000, but not over \$100,000	25 percent
Over \$100,000, but not over \$125,000	10 percent
Over \$125,000	0 percent.

1 “(2) PARTIAL YEAR RESIDENCE.—The Sec-
2 retary shall prescribe such rules as are necessary to
3 carry out the purposes of this section for taxpayers
4 with respect to whom a residence is a principal resi-
5 dence for only a portion of the taxable year.

6 “(3) SPECIAL RULE FOR INDIVIDUALS RESID-
7 ING IN GOVERNMENT-SUBSIDIZED HOUSING.—In the
8 case of a principal residence—

9 “(A) the rent with respect to which is sub-
10 sidized under a Federal, State, local, or tribal
11 program, and

12 “(B) with respect to which the taxpayer
13 elects the application of this paragraph,
14 in lieu of the credit determined under subsection (a),
15 there shall be allowed as a credit against the tax im-
16 posed by this subtitle for such taxable year an
17 amount equal to $\frac{1}{12}$ of the amount of rent paid by
18 the taxpayer (and not subsidized under any such
19 program) during the taxable year with respect to
20 such residence.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
2 for subpart C of part IV of subchapter A of chapter 1
3 of the Internal Revenue Code of 1986 is amended by in-
4 serting after the item relating to section 36B the following
5 new item:

“Sec. 36C. Rent paid for principal residence credit.”.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply with respect to taxable years begin-
8 ning after December 31, 2017.

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