AMENDMENT TO H.R. 5620, AS REPORTED
OFFERED BY MR. LANGEVIN OF RHODE ISLAND

Add at the end the following new sections:

SEC. 11. VETERAN FIRST-TIME HOMEBUYER TAX CREDIT.

(a) IN GENERAL.—Section 36(a) of the Internal Revenue Code of 1986 is amended to read as follows:

“(a) ALLOWANCE OF CREDIT.—In the case of an eligible veteran who purchases a principal residence in the United States during the taxable year, there shall be allowed as a credit against the tax imposed by this subtitle for such taxable year an amount equal to 10 percent of the purchase price of the residence.”.

(b) ADDITIONAL LIMITATION FOR ADAPTIVE HOUSING IMPROVEMENTS.—Section 36(b)(1) of such Code is amended by redesignating subparagraphs (B), (C), and (D) as subparagraphs (C), (D), and (E), respectively, and by inserting after subparagraph (A) the following new subparagraph:

“(B) SPECIAL RULE FOR ADAPTIVE HOUSING IMPROVEMENTS.—In the case of a principal residence with special fixtures or movable facilities made necessary by the nature of the dis-
ability of the veteran, if such fixtures and facilities are—

“(i) provided to the veteran pursuant to specially adapted housing assistance under chapter 17 or 21 of title 38, United States Code, or

“(ii) similar to such fixtures and facilities that would be provided to the veteran if the veteran received such assistance,

then subparagraph (A) shall be increased by the lesser of $8,000 or the portion of the purchase price of the principal residence attributable such fixtures or movable facilities.”.

(c) ELIGIBLE VETERAN.—

(1) IN GENERAL.—Section 36(c)(1) of such Code is amended by striking “FIRST-TIME HOMEBUYER.—The term ‘first time homebuyer’ means any individual” and inserting “ELIGIBLE VETERAN.—The term ‘eligible veteran’ means any individual who is a veteran (as defined in section 101(2) of title 38, United States Code)”.

(2) LONG-TIME RESIDENT.—Section 36(c)(6) of such Code is amended by striking “treated as a first-time homebuyer” and inserting “treated as
meeting the no present ownership interest require-
ment of paragraph (1)”.

(d) RECAPTURE OF CREDIT.—Section 36(f) of such
Code is amended to read as follows:

“(f) RECAPTURE OF CREDIT.—

“(1) IN GENERAL.—If a taxpayer disposes of
the principal residence with respect to which a credit
was allowed under subsection (a) (or such residence
ceases to be the principal residence of the taxpayer
(and, if married, the taxpayer’s spouse)) before the
end of the 36-month period beginning on the date of
the purchase of such residence by the taxpayer the
tax imposed by this chapter for the taxable year of
such disposition or cessation shall be increased by
the amount of the credit so allowed.

“(2) EXCEPTIONS.—

“(A) DEATH OF TAXPAYER.—Paragraph
(1) shall not apply to any taxable year ending
after the date of the taxpayer’s death.

“(B) IN VOLUNTARY CONVERSION.—Para-
graph (1) shall not apply in the case of a resi-
dence which is compulsorily or involuntarily
converted (within the meaning of section
1033(a)) if the taxpayer acquires a new prin-
cipal residence during the 2-year period begin-
ning on the date of the disposition or cessation referred to in paragraph (1). Paragraph (1) shall apply to such new principal residence during the 36-month period referred to therein in the same manner as if such new principal residence were the converted residence.

“(C) Transfers between spouses or incident to divorce.—In the case of a transfer of a residence to which section 1041(a) applies—

“(i) paragraph (1) shall not apply to such transfer, and

“(ii) in the case of taxable years ending after such transfer, paragraph (1) shall apply to the transferee in the same manner as if such transferee were the transferor (and shall not apply to the transferor).

“(D) Special rule for members of the armed forces, etc.—

“(i) In general.—In the case of the disposition of a principal residence by an individual (or a cessation referred to in paragraph (1)) in connection with Government orders received by such individual, or such individual’s spouse, for qualified offi-
cial extended duty service, paragraph (1) shall not apply to such disposition (or ces-
"(ii) QUALIFIED OFFICIAL EXTENDED DUTY SERVICE.—For purposes of this sec-
tion, the term ‘qualified official extended duty service’ means service on qualified of-
official extended duty as—
“(I) a member of the uniformed services,
“(II) a member of the Foreign Service of the United States, or
“(III) an employee of the intel-
ligence community.
“(iii) DEFINITIONS.—Any term used in this subparagraph which is also used in paragraph (9) of section 121(d) shall have the same meaning as when used in such paragraph.
“(3) JOINT RETURNS.—In the case of a credit allowed under subsection (a) with respect to a joint return, half of such credit shall be treated as having been allowed to each individual filing such return for purposes of this subsection.
“(4) RETURN REQUIREMENT.—If the tax imposed by this chapter for the taxable year is increased under this subsection, the taxpayer shall, notwithstanding section 6012, be required to file a return with respect to the taxes imposed under this subtitle.”.

(e) APPLICATION OF CREDIT.—Section 36(h) of such Code is amended to read as follows:

“(h) TERMINATION.—This section shall not apply to any residence purchased after December 31, 2017.”.

(f) ASSIGNMENT OF CREDIT IN CASE OF CONSTRUCTION.—Section 36 of such Code is amended by adding at the end the following new subsection:

“(i) CREDIT MAY BE ASSIGNED.—

“(1) IN GENERAL.—In the case of a residence constructed by the taxpayer, if such taxpayer elects the application of this subsection for any taxable year, any portion of the credit determined under this section which is attributable to an increase under subparagraph (B) of subsection (b)(1) for such year which would (but for this subsection) be allowable to the taxpayer may be assigned to any person who is an eligible designee. The person so designated shall be allowed the amount of the credit so assigned and shall be treated as the taxpayer with respect to such
credit for purposes of this title (other than this paragraph), except that such credit shall be treated as a credit listed in section 38(b) for such taxable year (and not allowed under subsection (a)).

“(2) ELIGIBLE DESIGNEE.—For purposes of paragraph (1), the term ‘eligible designee’ means any person who, with respect to the residence, provides or installs any improvements, special fixtures, or movable facilities to which the credit is attributable under subparagraph (B) of subsection (b)(1).

“(3) ELECTION REQUIREMENTS.—Any election under paragraph (1) shall include such information and shall be made at such time, and in such form and manner, as the Secretary shall by regulation prescribe.”.

(g) CONFORMING AMENDMENTS.—

(1) Section 38(b) of such Code is amended by striking “plus” at the end of paragraph (35), by striking the period at the end of paragraph (36) and inserting “, plus”, and by adding at the end the following new paragraph:

“(37) the portion of the veteran first-time homebuyer credit assigned to the taxpayer to which the second sentence of section 36(i)(1) applies,”.
(2) The heading for section 1400C(e)(4) of such Code is amended by striking “NATIONAL FIRST-TIME HOMEBUYERS CREDIT” and inserting “VETERAN FIRST-TIME HOMEBUYERS CREDIT”.

(h) CLERICAL AMENDMENTS.—

(1) The heading for section 36 of such Code is amended to read as follows:

“SEC. 36. VETERAN FIRST-TIME HOMEBUYER CREDIT.”.

(2) The item relating to section 36 in the table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended to read as follows:

“Sec. 36. Veteran first-time homebuyer credit.”.

(i) EFFECTIVE DATE.—The amendments made by this section shall apply to residences purchased after the date of the enactment of this Act.

SEC. 12. VETERAN HOME MOBILITY IMPROVEMENT CREDIT.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting before section 37 the following new section:

“SEC. 36C. VETERAN HOME MOBILITY IMPROVEMENT CREDIT.

“(a) IN GENERAL.—In the case of a veteran, there shall be allowed as a credit against the tax imposed by
this subtitle for any taxable year an amount equal to the
amount paid or incurred by the taxpayer for qualified
adaptive housing improvements for the taxable year.

“(b) LIMITATION.—The credit allowed under sub-
section (a) shall not exceed $8,000.

“(c) QUALIFIED ADAPTIVE HOUSING IMPROVE-
MENT.—For purposes of this section, the term ‘qualified
adaptive housing improvement’ means special fixtures or
movable facilities with respect to the principal residence
of the veteran which are made necessary by the nature
of the disability of the veteran, if such fixtures and facili-
ties are—

“(1) provided to the veteran pursuant to spe-
cially adapted housing assistance under chapter 17
or 21 of title 38, United States Code, or

“(2) similar to such fixtures and facilities that
would be provided to the veteran if the veteran re-
ceived such assistance.

“(d) CREDIT MAY BE ASSIGNED.—

“(1) IN GENERAL.—If the taxpayer elects the
application of this subsection for any taxable year,
any portion of the credit under this section for such
year which would (but for this subsection) be allow-
able to the taxpayer may be assigned to any person
who is an eligible designee. The person so designated
shall be allowed the amount of the credit so assigned
and shall be treated as the taxpayer with respect to
such credit for purposes of this title (other than this
paragraph), except that such credit shall be treated
as a credit listed in section 38(b) for such taxable
year (and not allowed under subsection (a)).

“(2) ELIGIBLE DESIGNEE.—For purposes of
paragraph (1), the term ‘eligible designee’ means
any person who, with respect to the residence, pro-
vides or installs any qualified adaptive housing im-
provements to which the credit under this section is
attributable.

“(3) ELECTION REQUIREMENTS.—Any election
under paragraph (1) shall include such information
and shall be made at such time, and in such form
and manner, as the Secretary shall by regulation
prescribe.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 1324(b)(2) of title 31, United
States Code, is amended by inserting “36C,” after
“36B,”.

(2) Section 38(b) of the Internal Revenue Code
of 1986, as amended by section 2, is amended by
striking “plus” at the end of paragraph (36), by
striking the period at the end of paragraph (37) and
inserting “, and”, and by adding at the end the following new paragraph:

“(38) the portion of the veteran home mobility improvement credit assigned to the taxpayer to which the second sentence of section 36C(d)(1) applies.”.

(3) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting before the item relating to section 37 the following new item:

“Sec. 36C. Veteran home mobility improvement credit.”.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2014.