

111TH CONGRESS
1ST SESSION

H. R. 3590

AN ACT

To amend the Internal Revenue Code of 1986 to modify the first-time homebuyers credit in the case of members of the Armed Forces and certain other Federal employees, and for other purposes.

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. SHORT TITLE.**

2 This Act may be cited as the “Service Members
3 Home Ownership Tax Act of 2009”.

4 **SEC. 2. WAIVER OF RECAPTURE OF FIRST-TIME HOME-**
5 **BUYER CREDIT FOR INDIVIDUALS ON QUALI-**
6 **FIED OFFICIAL EXTENDED DUTY.**

7 (a) IN GENERAL.—Paragraph (4) of section 36(f) of
8 the Internal Revenue Code of 1986 is amended by adding
9 at the end the following new subparagraph:

10 “(E) SPECIAL RULE FOR MEMBERS OF
11 THE ARMED FORCES, ETC.—

12 “(i) IN GENERAL.—In the case of the
13 disposition of a principal residence by an
14 individual (or a cessation referred to in
15 paragraph (2)) after December 31, 2008,
16 in connection with Government orders re-
17 ceived by such individual, or such individ-
18 ual’s spouse, for qualified official extended
19 duty service—

20 “(I) paragraph (2) and sub-
21 section (d)(2) shall not apply to such
22 disposition (or cessation), and

23 “(II) if such residence was ac-
24 quired before January 1, 2009, para-
25 graph (1) shall not apply to the tax-
26 able year in which such disposition (or

1 cessation) occurs or any subsequent
2 taxable year.

3 “(ii) QUALIFIED OFFICIAL EXTENDED
4 DUTY SERVICE.—For purposes of this sec-
5 tion, the term ‘qualified official extended
6 duty service’ means service on qualified of-
7 ficial extended duty as—

8 “(I) a member of the uniformed
9 services,

10 “(II) a member of the Foreign
11 Service of the United States, or

12 “(III) as an employee of the in-
13 telligence community.

14 “(iii) DEFINITIONS.—Any term used
15 in this subparagraph which is also used in
16 paragraph (9) of section 121(d) shall have
17 the same meaning as when used in such
18 paragraph.”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 this section shall apply to dispositions and cessations after
21 December 31, 2008.

1 **SEC. 3. EXTENSION OF FIRST-TIME HOMEBUYER CREDIT**
2 **FOR INDIVIDUALS ON QUALIFIED OFFICIAL**
3 **EXTENDED DUTY OUTSIDE THE UNITED**
4 **STATES.**

5 (a) IN GENERAL.—Subsection (h) of section 36 of the
6 Internal Revenue Code of 1986 is amended—

7 (1) by striking “This section” and inserting the
8 following:

9 “(1) IN GENERAL.—This section”, and

10 (2) by adding at the end the following:

11 “(2) SPECIAL RULES FOR INDIVIDUALS ON
12 QUALIFIED OFFICIAL EXTENDED DUTY OUTSIDE
13 THE UNITED STATES.—In the case of any individual
14 who serves on qualified official extended duty service
15 outside the United States for at least 90 days in cal-
16 endar year 2009 and, if married, such individual’s
17 spouse—

18 “(A) paragraph (1) shall be applied by
19 substituting ‘December 1, 2010’ for ‘December
20 1, 2009’,

21 “(B) subsection (f)(4)(D) shall be applied
22 by substituting ‘December 1, 2010’ for ‘Decem-
23 ber 1, 2009’, and

24 “(C) in lieu of subsection (g), in the case
25 of a purchase of a principal residence after De-
26 cember 31, 2009, and before July 1, 2010, the

1 taxpayer may elect to treat such purchase as
 2 made on December 31, 2009, for purposes of
 3 this section (other than subsections (c) and
 4 (f)(4)(D)).”.

5 (b) COORDINATION WITH FIRST-TIME HOMEBUYER
 6 CREDIT FOR DISTRICT OF COLUMBIA.—Paragraph (4) of
 7 section 1400C(e) of such Code is amended by inserting
 8 “(December 1, 2010, in the case of a purchase subject
 9 to section 36(h)(2))” after “December 1, 2009”.

10 (c) EFFECTIVE DATE.—The amendments made by
 11 this section shall apply to residences purchased after No-
 12 vember 30, 2009.

13 **SEC. 4. EXCLUSION FROM GROSS INCOME OF QUALIFIED**
 14 **MILITARY BASE REALIGNMENT AND CLO-**
 15 **SURE FRINGE.**

16 (a) IN GENERAL.—Subsection (n) of section 132 of
 17 the Internal Revenue Code of 1986 is amended—

18 (1) in subparagraph (1) by striking “this sub-
 19 section) to offset the adverse effects on housing val-
 20 ues as a result of a military base realignment or clo-
 21 sure” and inserting “the American Recovery and
 22 Reinvestment Tax Act of 2009)”, and

23 (2) in subparagraph (2) by striking “clause (1)
 24 of”.

1 (b) EFFECTIVE DATE.—The amendments made by
 2 this act shall apply to payments made after February 17,
 3 2009.

4 **SEC. 5. INCREASE IN PENALTY FOR FAILURE TO FILE A**
 5 **PARTNERSHIP OR S CORPORATION RETURN.**

6 (a) IN GENERAL.—Sections 6698(b)(1) and
 7 6699(b)(1) of the Internal Revenue Code of 1986 are each
 8 amended by striking “\$89” and inserting “\$110”.

9 (b) EFFECTIVE DATE.—The amendments made by
 10 this section shall apply to returns for taxable years begin-
 11 ning after December 31, 2009.

12 **SEC. 6. TIME FOR PAYMENT OF CORPORATE ESTIMATED**
 13 **TAXES.**

14 The percentage under paragraph (1) of section
 15 202(b) of the Corporate Estimated Tax Shift Act of 2009
 16 in effect on the date of the enactment of this Act is in-
 17 creased by 0.5 percentage points.

Passed the House of Representatives October 8,
 2009.

Attest:

Clerk.

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