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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To amend the Internal Revenue Code of 1986 to allow immediate expensing of certain qualified rental property.

IN THE HOUSE OF REPRESENTATIVES

Mr. SMITH of Nebraska introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to allow immediate expensing of certain qualified rental property.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''More Homes for Americans Act of 2026''.

SECTION 1. ACCELERATED COST RECOVERY FOR QUALIFIED RENTAL PROPERTY.

(a) IN GENERAL.—Section 168 is amended by adding at the end the following new subsection:

''(o) QUALIFIED RENTAL PROPERTY.—

''(1) IN GENERAL.—In the case of qualified rental property of a taxpayer making an election under this subsection—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 100 percent of the adjusted basis of the qualified rental property, and

''(B) the adjusted basis of the qualified rental property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED RENTAL PROPERTY.—For purposes of this subsection, the term 'qualified rental property' means, with respect to a taxpayer, newly constructed residential rental property of such taxpayer—

''(A) the original use of which commences with the taxpayer, and

''(B) if no amount of the gross rental income from such property is rental income for

short-term rental of any portion of such property.

''(3) RECAPTURE.—The Secretary shall establish regulations providing for the recapture of the benefit of any deduction allowable under this subsection with respect to any property which ceases to be qualified rental property during the 5-year period beginning on the date on which the taxpayer places such property in service.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property the construction of which begins after the date of the enactment of this Act.