

AGENDA



NATIONAL ASSOCIATION OF REALTORS®
2022 REALTORS® LEGISLATIVE MEETINGS

FEDERAL TAXATION COMMITTEE

TUESDAY, MAY 3, 2022, 10:00 AM – 12:00 PM (Eastern Time)

Gaylord National Resort and Convention Center, National Harbor 6 & 7, Level 3

CHAIR: Nathan Bell (TX)

VICE CHAIR: Erin Stumpf (CA)

COMMITTEE LIAISON: Donna Smith (SC)

STAFF EXECUTIVE: Evan Liddiard

PURPOSE

To develop policy on all matters of federal taxation affecting real estate; to coordinate with the Business Issues Policy Committee in developing policy on those tax matters that affect the business operations of REALTORS®; and to provide guidance to NAR staff on lobbying strategies and positions

I. Call to Order: Nathan Bell, Chair and Erin Stumpf, Vice Chair

- a. Welcome and introductions
- b. NAR [Ownership Disclosure and Conflict of Interest Policy](#)
- c. NAR Presidential RPAC Challenge

II. Approval of previous [meeting's minutes](#): Nathan Bell (Minutes from November 12, 2021, meeting in San Diego)

III. Introduction of today's agenda: Nathan Bell

IV. Latest developments in tax legislation affecting real estate: Evan Liddiard

V. Political outlook for rest of 2022, election, and 118th Congress NAR Lobbyists (Joe Harris, Helen Devlin, Vijay Yadlapati, Colin Allen)

VI. Committee discussion on latest developments and political outlook

VII. Old business: Nathan Bell, Erin Stumpf, and Evan Liddiard

a. Review of [Rosen report](#)

Housing is Critical Infrastructure: Social and Economic Benefits of Building More Housing was prepared by Rosen Consulting Group for the National Association of REALTORS®. This report highlights the size of the existing underbuilding gap, consequences of underinvesting in housing, benefits of building more housing, the role of housing infrastructure in communities and the need for a once-in-a-generation response to address the nation's housing shortage and affordability crisis

b. Tax policy motions to encourage more supply

c. More ideas for housing supply PAG

VIII. Committee discussion on tax ideas for creating supply

IX. New Business: Per-state data on number of homeowners with potential gains exceeding capital gain exclusion amounts

The capital gains exclusion for primary residence needs to be updated. It was passed in 1997 and is less effective as an incentive for home sellers as it was 25 years ago when first passed. C.A.R. has advocated for the following changes to the law.

- The first change is to index the exclusion for inflation. Every year more homebuyers are weighing the option of not selling their homes because the exclusion is at the same amount it was 25 years ago.
- The second change is to eliminate the \$250K exclusion for individuals and make a single exclusion of \$500K for a primary residence. This tax provision is directly linked to the appreciation of an asset, an asset that appreciates the same regardless of marital status. Widowers and single homeowners are less incentivized to sell their homes because of the lower exclusion amount.

As home prices continue to appreciate across the country, more households in other states will begin to be impacted. NAR's discussion of this issue is a positive sign, and members of the Committee should ask to make this a bigger issue at NAR.

X. Committee discussion on capital gain exclusion amounts & how we tell story

XI. Other business and announcements – Erin Stumpf

XII. Adjournment