

# AGENDA



**NATIONAL ASSOCIATION OF REALTORS  
2019 REALTORS® CONFERENCE AND EXPO  
FEDERAL TAXATION COMMITTEE  
FRIDAY, NOVEMBER 8, 2019  
1:30 PM TO 4:00 PM  
PARK CENTRAL HOTEL  
METROPOLITAN II, LEVEL 2**

**CHAIR:** Robert Oppenheimer (NJ)  
**VICE CHAIR:** Dennis Badagliacco (CA)  
**COMMITTEE LIAISON:** Melanie Barker (CA)  
**STAFF EXECUTIVE:** Evan Liddiard (DC)

**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** – Robert Oppenheimer

**II. Welcome and Introductions** – Robert Oppenheimer

**III. NAR [Ownership Disclosure and Conflict of Interest Policy](#)** – Dennis Badagliacco

**IV. NAR Presidential RPAC Challenge Status** – Dennis Badagliacco

**V. Approval of Previous [Meeting's Minutes](#)** – Robert Oppenheimer

**VI. Introduction of Agenda for Today** – Robert Oppenheimer

**VII. Legislative and Regulatory Federal Tax Update** – Evan Liddiard

**VIII. Committee Discussion on Current Federal Tax Issues**

**IX. Guest Speaker** – David Bank, Senior Vice President, Rosen Consulting Group, Berkeley, CA, presenting initial report on the benefits of homeownership in the U.S.

David Bank, Senior Vice President, joined Rosen Consulting Group in 2013. Prior to joining RCG, Mr. Bank was an Economist at the U.S. Department of Housing and Urban Development, where he conducted economic and market analysis and authored housing market reports for the Office of Policy Development and Research (PD&R). Before that, he worked as a consultant in the market research and healthcare industries. Mr. Bank received an M.A. in International and Development

Economics from The Fletcher School at Tufts University and a B.A. in Economics from New York University.

### **X. Committee Discussion on initial report**

### **XI. New Business – Robert Oppenheimer and Dennis Badagliacco**

- Consideration of recommendation of NAR FIRPTA Repeal Work Group

NAR's Federal Taxation Committee has created a Working Group to review the issue of FIRPTA. FIRPTA allows the U.S. to tax foreign persons who sell real estate in the U.S. When a person buys a property from a foreign entity the buyer may be required to withhold a percentage of the sale price. There have been some proposals to eliminate FIRPTA to spur foreign investment in real estate.

- Consideration of recommendations of NAR Work Group to Evaluate Tax Incentives for Buying and Owning a Home

NAR's Federal Taxation Committee has created a "Work Group to Evaluate Tax Incentives for Buying and Owning a Home." The purpose of the Working Group is to present the full NAR committee with a recommendation on whether a new tax incentive should be created following the passage of the tax reform package in 2017 (the Tax Cuts and Jobs Act or TCJA).

The TCJA increased the standard deduction which reduced the mortgage interest deduction as a homebuyer tax incentive for homes below approximately \$350,000 to \$400,000 (this is a very broad assumption but takes into consideration what the MID plus \$10,000 SALT deduction would be; however, it would be impossible to have a single hard number).

While the MID can still act as a homebuyer tax incentive in many areas throughout California, there are a number of communities in the state, and in the majority of the country, where it is no longer an incentive for homeownership. C.A.R. has adopted a position to maintain the MID while supporting the creation of a first-time homebuyer tax credit to incentivize homeownership.

**XII. Committee discussion** – Update on NAR Work Group to Evaluate Tax Incentives for Buying and Owning a Home's draft proposal for Homeownership Tax Credit: How can we get it ready to move it forward to a successful vote in May 2020? – led by Robert Oppenheimer and Dennis Badagliacco

**XIII. Other business and announcements** – Dennis Badagliacco

**XIV. Adjournment**