

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Revenue

Fiscal: May have fiscal impact, but no statement yet issued

Revenue: May have revenue impact, but no statement yet issued

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

Exempts proceeds from a sale of market rate rental housing to a community development corporation or a housing authority from capital gains tax. Applies to tax years from January 1, 2017 to January 1, 2020. Increases the recording fee from \$20 to \$30 for filing various types of documents. Increases the limit on transfer fees paid to a city or county for the transfer of a fee estate in real property from \$32 to \$42.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

Currently, the proceeds from the sale of property are taxed as capital gains. The measure would eliminate this taxation in certain circumstances. Note that the measure is considered revenue-raising, and requires a 3/5 majority to be adopted. The recording fee that would be increased from \$20 to \$30 would be distributed through the Department of Revenue as follows: 76% to the General Housing Account, 10% to the Emergency Housing Account, and 14% to the Home Ownership Assistance Account.