

**2023 REALTORS® Legislative Meetings**  
**FEDERAL TAXATION COMMITTEE**  
**MONDAY, MAY 8, 2023**  
**10:00am-12:00pm**  
**MARRIOTT MARQUIS**  
**MARQUIS SALONS 12 & 13, MEETING LEVEL 2**

**CHAIR:** ERIN STUMPF (CA)  
**VICE CHAIR:** ASHLEY ENDRIS (MS)  
**COMMITTEE:** LIAISON ANDREW MAHOWALD (SD)  
**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.

**AGENDA**

**I. Call to order**

- Erin Stumpf, Chair and Ashley Endris, Vice Chair
- Welcome and introductions
- NAR Ownership Disclosure and Conflict of Interest Policy – [EXHIBIT](#)
- NAR Presidential RPAC Challenge

**II. Approval of previous meeting's minutes**

- Erin Stumpf, Chair
- (Minutes from November 11, 2022, meeting in Orlando) – [EXHIBIT](#)

**III. Introduction of today's agenda**

- Ashley Endris, Vice Chair

**IV. Latest developments in tax legislation affecting real estate**

- Evan M. Liddiard, CPA

**V. Sustainability and tax policy**

- Erin Stumpf, Chair

**VI. Findings of report: Tax Policy and Single-Family Home Supply: How Targeting Tenure, Capital Gains, and Investor-Owners Would Change the Market – [EXHIBIT](#)**

- Andrew Hanson, Ph.D., Stuart Handler Department of Real Estate, University of Illinois Chicago and Ike Brannon, Ph.D., Capital Policy Analytics

Over the last 30 months, a lack of inventory has been endemic in the market for singlefamily homes throughout the United States, resulting in decreased relocation opportunities for all buyers and limited entry into the market for first-time buyers.<sup>1</sup> While the continued effect of the COVID pandemic and recent--and drastic--increase in mortgage interest rates surely weigh on the single-family home market,

other, less remarked upon phenomena may also play a role. This study examines two other contributing factors for the recent single-family home supply woes: decreasing mobility of single-family owner-occupiers, and the rise of investor-owned rental properties in this market.<sup>2</sup> We first document the influence of these other factors in the single-family market, and then examine three policy proposals aimed at boosting existing single family home supply that operate through tax incentives.

## **VII. Committee members' questions to speakers and discussion on report**

### **VIII. New business**

- Erin Stumpf, Chair and Ashley Endris, Vice Chair
- Recommendations of Large Investors in Rental Homes Work Group:
  - o New policy motion: Tax Credit to Induce Long-Tenured Homeowners to Sell

#### **Proposed Motion:**

To support policies that provide a temporary tax credit to owners of single-family homes who have lived in their residence continuously for at least 20 years to induce them to sell them to another owner-occupant.

- o Modification to existing policy: Incentives to Increase Supply of Inventory

#### **Proposed Motion to Amend Existing NAR Policy:**

To support tax policies that provide a zero capital gains tax rate or a reduced capital gains tax rate to existing (as of the date of exactment) owners of rental single-family homes, townhomes, or condominiums that sell the property to an owner-occupant.

- Group discussion – what else should we be thinking about?

### **IX. Other business and announcements**

Ashley Endris, Vice Chair

### **X. Adjournment**