

119TH CONGRESS
1ST SESSION

S. 1334

To amend the Internal Revenue Code of 1986 to increase the percentage limitation on assets of real estate investment trusts which may be held in taxable REIT subsidiaries.

IN THE SENATE OF THE UNITED STATES

APRIL 8, 2025

Mr. TILLIS (for himself and Mr. WARNOCK) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to increase the percentage limitation on assets of real estate investment trusts which may be held in taxable REIT subsidiaries.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. INCREASE IN PERCENTAGE LIMITATION ON AS-**
4 **SETS OF REIT WHICH MAY BE TAXABLE REIT**
5 **SUBSIDIARIES.**

6 (a) IN GENERAL.—Section 856(c)(4)(B)(ii) of the In-
7 ternal Revenue Code of 1986 is amended by striking “20
8 percent” and inserting “25 percent”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2025.

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