

119TH CONGRESS
1ST SESSION

S. 3332

To amend the Internal Revenue Code of 1986 to increase the exclusion of gain from the sale of a principal residence, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 3, 2025

Mr. CORNYN (for himself, Mr. BENNET, Mr. DAINES, Mr. SCHIFF, Mr. BARRASSO, and Mr. KELLY) 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 exclusion of gain from the sale of a principal residence, and for other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “More Homes on the
5 Market Act”.

6 **SEC. 2. INCREASE OF EXCLUSION OF GAIN FROM SALE OF**
7 **PRINCIPAL RESIDENCE.**

8 (a) IN GENERAL.—Section 121(b) of the Internal
9 Revenue Code of 1986 is amended—

1 (1) by striking “\$250,000” and inserting
2 “\$500,000” each place it appears,

3 (2) by striking “500,000” and inserting
4 “\$1,000,000” each place it appears,

5 (3) in paragraph (2)(A), in the heading, by
6 striking “\$500,000” and inserting “\$1,000,000”, and

7 (4) by adding at the end the following new
8 paragraph:

9 “(5) ADJUSTMENT FOR INFLATION.—In the
10 case of a taxable year beginning after 2025, the
11 \$500,000 and \$1,000,000 amounts in paragraphs
12 (1), (2), and (4) shall each be increased by an
13 amount equal to—

14 “(A) such dollar amount, multiplied by

15 “(B) the cost-of-living adjustment deter-
16 mined under section 1(f)(3) for the calendar
17 year in which the taxable year begins, deter-
18 mined by substituting ‘2024’ for ‘2016’ in sub-
19 paragraph (A)(ii) thereof.

20 If any increase under this clause is not a multiple
21 of \$100, such increase shall be rounded to the next
22 lowest multiple of \$100.”.

1 (b) **EFFECTIVE DATE.**—The amendments made by
2 this section shall apply to sales and exchanges after the
3 date of the enactment of this Act.

○