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READY Accounts Act

Congress: 119 (2025–2027, Current)
Chamber: Senate
Policy Area: Taxation
Introduced: Jun 4, 2025
Current Status: Read twice and referred to the Committee on Finance.
Latest Action: Read twice and referred to the Committee on Finance. (Jun 4, 2025)
Official Text: https://www.congress.gov/bill/119th-congress/senate-bill/1940

Sponsor

Name: Sen. Scott, Rick [R-FL]
Party: Republican • **State:** FL • **Chamber:** Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Schiff, Adam B. [D-CA]	D · CA		Sep 15, 2025

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Jun 4, 2025

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
119 HR 440	Identical bill	**Jan 15, 2025:** Referred to the House Committee on Ways and Means.

Summary (as of Jun 4, 2025)

READY Accounts Act

This bill establishes a new Residential Emergency Asset-accumulation Deferred Taxation Yield (READY) account, allows individuals to make tax-deductible contributions of up to $4,500 per year to such accounts (adjusted annually for inflation beginning in 2027), and allows individuals to take tax-free distributions from such accounts to pay for qualified home disaster mitigation and recovery expenses related to a principal residence owned by the taxpayer.

Under the bill, qualified home disaster mitigation expenses include expenses certified by a qualified industry professional as meeting criteria to mitigate damage from a natural or other disaster, including

- installing a roofing underlayment to sheathing, impact-resistant windows, impact-resistant entry doors, or ground anchors;
- replacing a roof covering;
- applying a foam adhesive to reinforce the roof structure;
- strengthening the connection of the roof deck to roof framing, roof-to-wall connections, soffits, or attic ventilation openings;
- elevating a residence; or
- achieving the current building code standard.

Qualified home disaster recovery expenses include costs for repairing damage to a residence resulting from fire, storm, or other casualty (provided such costs are not reimbursed).

Distributions from a READY account used for anything other than qualified home disaster mitigation and recovery expenses must be included in gross income and are subject to a 20% penalty. (Some exceptions apply.)

Finally, the bill imposes a 6% tax on contributions in excess of the annual limit. (Some exceptions apply.)

Actions Timeline

- **Jun 4, 2025:** Introduced in Senate
- **Jun 4, 2025:** Read twice and referred to the Committee on Finance.

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