

S 930

A bill to amend the Internal Revenue Code of 1986 to exclude from gross income capital gains from the sale of certain farmland property which are reinvested in individual retirement plans.

Congress: 119 (2025–2027, Current)

Chamber: Senate

Policy Area: Taxation

Introduced: Mar 11, 2025

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Mar 11, 2025)

Official Text: <https://www.congress.gov/bill/119th-congress/senate-bill/930>

Sponsor

Name: Sen. McConnell, Mitch [R-KY]

Party: Republican • **State:** KY • **Chamber:** Senate

Cosponsors (4 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Britt, Katie Boyd [R-AL]	R · AL		Jun 3, 2025
Sen. Budd, Ted [R-NC]	R · NC		Jun 3, 2025
Sen. Justice, James C. [R-WV]	R · WV		Jun 3, 2025
Sen. Kennedy, John [R-LA]	R · LA		Jul 15, 2025

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Mar 11, 2025

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

This bill excludes from gross income the gain from the sale or exchange of qualified farmland property to a qualified farmer that is contributed to an individual retirement account (IRA). This generally prevents the federal capital gains tax from being imposed on such gain. (Conditions apply.)

Specifically, the bill excludes from gross income any gain from the sale or exchange of qualified farmland property contributed to an IRA within 60 days of the sale or exchange if

- the requisite election is made,
- the property is sold to an individual actively engaged in farming (qualified farmer),
- the qualified farmer signs a written agreement consenting to the application of a federal tax if the property is disposed of or no longer used for farming within the first 10 years after the sale or exchange, and
- the written agreement is filed.

The bill defines *qualified farmland property* as real property located in the United States that, for substantially all of the 10 years preceding the sale or exchange, is used by the farmer (or lessee) for farming purposes.

However, under the bill, if the qualified farmland property is disposed of or no longer used for farming within the first 10 years after the sale or exchange, a tax is imposed on the qualified farmer equal to the amount excluded from gross income multiplied by the sum of the highest tax rate on adjusted net capital gains and the net investment income tax rate (currently 23.8%), plus interest.

