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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R.

To amend the Internal Revenue Code of 1986 to allow distributions from qualified tuition programs for qualified housing expenses, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. PATRONIS introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to allow distributions from qualified tuition programs for qualified housing expenses, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*
- 2 **SECTION 1. SHORT TITLE.**
- 3 This Act may be cited as the “Save for Success Act”.

1 **SEC. 2. ALLOWANCE OF DISTRIBUTIONS FROM QUALIFIED**
2 **TUITION PROGRAMS FOR QUALIFIED HOUS-**
3 **ING EXPENSES.**

4 (a) IN GENERAL.—Section 529(c)(3) of the Internal
5 Revenue Code of 1986 is amended by adding at the end
6 the following new subparagraph:

7 **“(F) DISTRIBUTIONS FOR QUALIFIED**
8 **HOUSING EXPENSES.—**

9 “(i) IN GENERAL.—Subparagraph (A)
10 shall not apply to that portion of any dis-
11 tribution which is used to pay for a qual-
12 fied housing expense of the designated ben-
13 eficiary.

14 “(ii) QUALIFIED HOUSING EX-
15 PENSE.—For purposes of this subpara-
16 graph, the term ‘qualified housing ex-
17 pense’, with respect to a designated bene-
18 ficiary, means any expense incurred by
19 such beneficiary for the purchase of a prin-
20 cipal residence, but only if such beneficiary
21 is a first-time homebuyer, and includes any
22 closing costs and mortgage payments in-
23 curred with respect to such purchase.

24 “(iii) OTHER DEFINITIONS.—For pur-
25 poses of this subparagraph—

1 “(I) FIRST-TIME HOMEBUYER.—

2 The term ‘first-time homebuyer’
3 means any individual if such individual (and if married, such individual’s spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of the purchase of the principal residence to which this subparagraph applies.

11 “(II) PRINCIPAL RESIDENCE.—

12 The term ‘principal residence’ has the
13 same meaning as when used in section
14 121.

15 “(III) PURCHASE.—The term
16 ‘purchase’ has the meaning given such
17 term in section 36(c).”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply to distributions made after December 31, 2026.