

112TH CONGRESS  
1ST SESSION

# H. R. 1702

To amend the Internal Revenue Code of 1986 to allow the mortgage interest deduction with respect to boats only if the boat is used as the principal residence of the taxpayer.

---

## IN THE HOUSE OF REPRESENTATIVES

MAY 3, 2011

Mr. QUIGLEY (for himself, Mr. WALZ of Minnesota, and Mr. PETERS) introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To amend the Internal Revenue Code of 1986 to allow the mortgage interest deduction with respect to boats only if the boat is used as the principal residence of the taxpayer.

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 “Ending Taxpayer Sub-  
5 sidies for Yachts Act”.

1 **SEC. 2. MORTGAGE INTEREST DEDUCTION ALLOWED WITH**  
2 **RESPECT TO BOATS ONLY IF BOAT IS USED**  
3 **AS THE PRINCIPAL RESIDENCE OF THE TAX-**  
4 **PAYER.**

5 (a) IN GENERAL.—Subclause (ii) of section  
6 163(h)(4)(A) of the Internal Revenue Code of 1986 is  
7 amended by inserting “(other than a boat)” after “1 other  
8 residence of the taxpayer”.

9 (b) EFFECTIVE DATE.—

10 (1) IN GENERAL.—The amendment made by  
11 this section shall apply to indebtedness incurred  
12 after the date of the enactment of this Act.

13 (2) SPECIAL RULE FOR REFINANCINGS.—For  
14 purposes of this subsection, indebtedness resulting  
15 from the refinancing of indebtedness shall be treated  
16 as incurred on the date the refinanced indebtedness  
17 was incurred (taking into account the application of  
18 this paragraph in the case of multiple refinancings)  
19 but only to the extent the indebtedness resulting  
20 from such refinancing does not exceed the refi-  
21 nanced indebtedness.

○