

AMENDMENTS TO HOUSE BILL NO. 128

Sponsor: REPRESENTATIVE B. MILLER

Printer's No. 359

1 Amend Bill, page 2, by inserting between lines 21 and 22

2 "Ineligible use." The sale or lease of a single-family
3 residence within three years of the settlement date.

4 Amend Bill, page 2, by inserting between lines 24 and 25

5 "Settlement date." The date on which the seller in a real
6 estate transaction executes a deed or signs a settlement
7 statement, whichever occurs later, to convey title to the
8 purchaser.

9 Amend Bill, page 3, line 3, by striking out the period after
10 "community" and inserting

11 , and provided that the qualified beneficiary does not permit
12 an ineligible use of the residence.

13 Amend Bill, page 7, lines 10 and 11, by striking out all of
14 said lines and inserting

15 Section 7. Effect of improper withdrawals and ineligible
16 uses.

17 (a) Purposes other than eligible costs.--Except as permitted
18 under section 3(h), if an account holder

19 Amend Bill, page 7, by inserting between lines 27 and 28

20 (b) Ineligible uses.--If an account holder or beneficiary
21 withdraws any amount from a first-time home buyer savings
22 account and after the withdrawal an ineligible use occurs:

23 (1) The entire amount withdrawn shall be included in the
24 account holder's taxable income as interest income under
25 Article III of the Tax Reform Code of 1971 for the tax year
26 the withdrawal was made.

27 (2) The account holder or beneficiary shall pay to the
28 department a penalty equal to 10% of the amount withdrawn.