

AMENDMENT TO H.R. 4173
OFFERED BY MR. MICHAUD OF MAINE

Page 825, after line 12, insert the following:

1 **SEC. 4313. REVIEW, REPORT, AND PROGRAM WITH RE-**
2 **SPECT TO EXCHANGE FACILITATORS.**

3 (a) **REVIEW.**—The Director shall review all Federal
4 laws and regulations relating to the protection of persons
5 who utilize exchange facilitators.

6 (b) **REPORT.**—Not later than 180 days after the ef-
7 fective date of this subtitle, the Director shall submit to
8 Congress a report describing—

9 (1) recommendations for legislation to ensure
10 the appropriate protection of persons who utilize ex-
11 change facilitators;

12 (2) recommendations for updating the regula-
13 tions of Federal departments and agencies to ensure
14 the appropriate protection of such persons; and

15 (3) recommendations for Agency regulations to
16 ensure the appropriate protection of such persons.

17 (c) **PROGRAM.**—Not later than 180 days after the
18 date of the submission of the report under subsection (b),
19 the Director shall establish and carry out a program, uti-

1 lizing the authorities of the Agency, to protect persons
2 who utilize exchange facilitators.

3 (d) EXCHANGE FACILITATOR DEFINED.—In this sec-
4 tion, the term “exchange facilitator” means a person
5 that—

6 (1) facilitates, for a fee, an exchange of like-
7 kind property by entering into an agreement with a
8 taxpayer by which the exchange facilitator acquires
9 from the taxpayer the contractual rights to sell the
10 taxpayer’s relinquished property and transfers a re-
11 placement property to the taxpayer as a qualified
12 intermediary (within the meaning of Treasury Regu-
13 lations section 1.1031(k)-1(g)(4)) or enters into an
14 agreement with the taxpayer to take title to a prop-
15 erty as an exchange accommodation titleholder
16 (within the meaning of Revenue Procedure 2000-37)
17 or enters into an agreement with a taxpayer to act
18 as a qualified trustee or qualified escrow holder
19 (within the meaning of Treasury Regulations section
20 1.1031(k)-1(g)(3));

21 (2) maintains an office for the purpose of solie-
22 citing business as an exchange facilitator; or

23 (3) purports to be an exchange facilitator by
24 advertising any of the services listed in paragraph
25 (1) or soliciting clients in printed publications, direct

1 mail, television or radio advertisements, telephone
2 calls, facsimile transmissions, or other electronic
3 communications directed to the general public for
4 purposes of providing any such services.

