Legislative History and Updating Sources
Legislative History

• RIA/BNA provide JCT Reports with Code section
Comprehensive Legislative Histories

- **Congressional**
- **Hein Online** (Tax & Economic Reform)
Proposed Legislation

• News in BNA

Sec. 121. Exclusion Of Gain From Sale Of Principal Residence

• Search Congress.gov

• Joint Economic Committee

• Joint Committee on Taxation
Updating Administrative Materials

- Start with the C.F.R./RIA/BNA
- Check the Federal Register, or parts affected
- Federal Register/TD for explanations (preambles)
Finding the CFR

- **GPO** publishes the set in print and in 2 electronic formats.

- GPO’s e-CFR is the most up-to-date source—within 2 or 3 days.

- Complete CFR in Hein goes back to beginning in 1938.

- CFR in Lexis and in Westlaw goes back to the early 80s.
Finding the Federal Register

• HeinOnline, Lexis, and Westlaw have complete Register coverage back to 1936.

• Government Printing Office (GPO) has official Register text in PDF back to 1994.
# Unified Agenda

Current Regulatory Plan  
and  
the Unified Agenda of Regulatory and Deregulatory Actions

## Agency Rule List - Fall 2014

**Department of the Treasury**

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Regulatory History?

• Similar to legislative history, understand why the rules exist or are written in a particular way.

Reg §1.121-1. Exclusion of gain from sale or exchange of a principal residence.

Effective: December 24, 2002. For dates of applicability, see §§1.121-1(f), 1.121-2 (c), 1.121-3(l), 1.121-4(l), and 1.1398-3(d).

In general. Section 121 provides that, under certain circumstances, gross income

Effective date. This section is applicable for sales and exchanges on or after December 24, 2002. For rules on electing to apply the provisions of this section retroactively, see §1.121-4(j).

On September 9, 2002, the IRS published Notice 2002-60 (2002-36 I.R.B. 482), which provides that certain taxpayers affected by the September 11, 2001, terrorist attacks may claim a reduced maximum exclusion for a sale or exchange of the taxpayer's principal residence by reason of unforeseen circumstances.

Explanation and Summary of Comments

1. Exclusion of Gain from the Sale or Exchange of a Principal Residence

Under section 121 and the proposed regulations, a taxpayer may exclude up to $250,000 ($500,000 for certain joint returns) of gain realized on the sale or exchange of the taxpayer's principal residence if the taxpayer owned and used the property as the taxpayer's principal residence for at least two years during the five-year period ending on the date of the sale or exchange. a. Principal residence

The proposed regulations provide that whether property is used by the taxpayer as the taxpayer's residence, and whether the property is used as the taxpayer's principal residence, depends upon all the facts and circumstances. The proposed regulations further provide that if a taxpayer alternates between two properties, the property that the taxpayer uses a majority of the time during the year will ordinarily be considered the taxpayer's principal residence.

Commentators requested a bright line test or a list of factors to identify a property as the taxpayer's principal residence in the case of a taxpayer with multiple residences. Other commentators questioned whether the property that a taxpayer uses a majority of the time during the year should generally be considered the taxpayer's principal residence, arguing that the determination of the taxpayer's principal residence should be judged on a day-by-day, rather than a year-by-year, basis.
Finding Related Cases

• “Annotated” regulations, like annotated statutes
• Citator
  – Shepard’s Code of Federal Regulations Citations
  – KeyCite