Press Release

A Tax Pox on Your Houses

ALLIE WATSON | JULY 28, 2025

President Trump recently indicated that his administration is "thinking about" removing capital gains taxes on home sales to jump-start the housing market, and Representative Marjorie Taylor Greene (R-GA) has introduced a bill that echoes the president's proposal: the No Tax on Home Sales Act. In a new insight, Director of Fiscal Policy Jordan Haring and Director of Financial Services Policy Thomas Kingsley discuss the bill's provisions and what the legislation could mean for the housing market and supply.

Key points:

> - *Low housing inventory is the most significant single driver of elevated house prices, and Congress must examine the root causes impacting housing supply.*
> - *One particularly fertile avenue of exploration should be the tax treatment of home sales, which has not undergone meaningful review in nearly 30 years.*
> - *Removing or amending the cap on the dollar amount that can be excluded in capital gains on the sale of primary residences could spur significant home sale activity, as this would counter the "stay-put penalty" disincentivizing many from leaving their homes.*

Read the analysis.