

# U.S. Sen. Baldwin, Colleagues: Introduce bill to crack down on corporate investors that buy up local homes, drive up housing prices

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WASHINGTON, D.C. – Today, U.S. Senator Tammy Baldwin (D-WI) joined her colleagues in introducing a new bill to restrict tax breaks for big corporate investors that buy up homes, often driving up local housing prices and rents. The *Stop Predatory Investing Act* would prohibit an investor who acquires 50 or more single-family rental homes from deducting interest or depreciation on those properties. The legislation comes as there have been increasing reports of out-of-state corporate investors “[gobbling up](#)” homes to rent with the sole intent of making money.

“When Wall Street investors buy up houses in Wisconsin, they drive up rent and lock out hard working families from affordable housing. By eliminating tax incentives for out-of-state landlords and wealthy investors who are only interested in their bottom line, we can better ensure Wisconsin families are able to buy a home in their neighborhoods and create stronger communities,” **said Senator Baldwin.** “I am proud to work to expand access to affordable housing for working families and first-time homebuyers and prevent wealthy out-of-state investors from snatching up homes and pricing Wisconsinites out of the communities they love.”

Private equity and other Wall Street-backed outside investors are a growing problem in local housing markets, and contribute to pushing home ownership further out of reach for many working families. Large investors use technology and all-cash offers to outcompete individual buyers. And because investors often target the same types of affordable starter homes as first-time homebuyers, they push

families out of the housing market.

The bill restricts tax breaks for private equity and large investors that currently give them an advantage in the market for affordable single-family homes, and helps make homeownership a reality for more families across the country.

The *Stop Predatory Investing Act* will:

- Prohibit an investor who acquires 50 or more single-family rental homes from deducting interest or depreciation on those properties.
- Incentivize big investors to sell single-family rental homes back to homeowners or nonprofits in the community.
- Support affordable rental housing and the construction of new housing supply by allowing owners to continue to take deductions on properties that are financed using Low-Income Housing Tax Credits or that are newly constructed for rental.
- Protect renters who live in existing single-family rental housing by not disallowing deductions for single-family rental homes purchased before enactment.

The legislation was led by Senator Sherrod Brown (D-OH) and also co-sponsored by Senators Ron Wyden (D-OR), Tina Smith (D-MN), Jeff Merkley (D-OR), Jack Reed (D-RI), John Fetterman (D-PA), and Elizabeth Warren (D-MA).

More information on this legislation is available [here](#). Full text of the legislation is available [here](#).