

April 2, 2013

*via email: Tax.reform@mail.house.gov*

Comments: Real Estate Tax Reform Working Group – Section 1031 Exchanges

Ladies and Gentlemen:

In April of 1989, I established Realty Exchange Services, Inc. (REALTEX) to facilitate the completion of IRS Code Section 1031 Tax Deferred Exchanges on behalf of those desiring to convey and then acquire property held for productive use in business or for investment. Since that date we have assisted thousands of taxpayers.

I am aware of proposals to modify and/or repeal Section 1031. I believe the occurrence of the same will result in the following:

- 1) Hundreds, if not thousands of exchange professionals will be put out of work.
- 2) Many investors will simply choose not to convey their assets. Thus, economic stimulation will be lessened.
- 3) Economic stimulation will also suffer since the acquisition of replacement property will be lessened or eliminated.
- 4) The loss of Section 1031 activity will result in the loss of tax revenue.
- 5) The loss of real estate activity will have a large “spill over” effect on a large number of related industries.
- 6) Loss of revenue from the conveyance of realty and business personal property will result in fewer jobs and less income throughout the economy.
- 7) The loss of reinvestment in realty and business personal property in the United States.

In light of the within, it is my sincere hope that IRS Code Section 1031 remains unchanged as a widely used, valuable investment tool in this nation.

Respectfully submitted,

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