

AMENDMENT TO RULES COMMITTEE PRINT 116-

44

OFFERED BY M _____

In section 2, at the end of the table of contents, add the following:

DIVISION Q—REVENUE PROVISIONS

Add at the end the following:

1 **DIVISION Q—REVENUE**
2 **PROVISIONS**

3 **SECTION 1. SHORT TITLE; ETC.**

4 (a) **SHORT TITLE.**—This division may be cited as the
5 “Taxpayer Certainty and Disaster Tax Relief Act of
6 2019”.

7 (b) **TABLE OF CONTENTS.**—The table of contents for
8 this division is as follows:

Sec. 1. Short title; etc.

TITLE I—EXTENSION OF CERTAIN EXPIRING PROVISIONS

Subtitle A—Tax Relief and Support for Families and Individuals

Sec. 101. Exclusion from gross income of discharge of qualified principal residence indebtedness.

Sec. 102. Treatment of mortgage insurance premiums as qualified residence interest.

Sec. 103. Reduction in medical expense deduction floor.

Sec. 104. Deduction of qualified tuition and related expenses.

Sec. 105. Black lung disability trust fund excise tax.

Subtitle B—Incentives for Employment, Economic Growth, and Community Development

- Sec. 111. Indian employment credit.
- Sec. 112. Railroad track maintenance credit.
- Sec. 113. Mine rescue team training credit.
- Sec. 114. Classification of certain race horses as 3-year property.
- Sec. 115. 7-year recovery period for motorsports entertainment complexes.
- Sec. 116. Accelerated depreciation for business property on Indian reservations.
- Sec. 117. Expensing rules for certain productions.
- Sec. 118. Empowerment zone tax incentives.
- Sec. 119. American Samoa economic development credit.

Subtitle C—Incentives for Energy Production, Efficiency, and Green Economy
Jobs

- Sec. 121. Biodiesel and renewable diesel.
- Sec. 122. Second generation biofuel producer credit.
- Sec. 123. Nonbusiness energy property.
- Sec. 124. Qualified fuel cell motor vehicles.
- Sec. 125. Alternative fuel refueling property credit.
- Sec. 126. 2-wheeled plug-in electric vehicle credit.
- Sec. 127. Credit for electricity produced from certain renewable resources.
- Sec. 128. Production credit for Indian coal facilities.
- Sec. 129. Energy efficient homes credit.
- Sec. 130. Special allowance for second generation biofuel plant property.
- Sec. 131. Energy efficient commercial buildings deduction.
- Sec. 132. Special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities.
- Sec. 133. Extension and clarification of excise tax credits relating to alternative fuels.
- Sec. 134. Oil spill liability trust fund rate.

Subtitle D—Certain Provisions Expiring at the End of 2019

- Sec. 141. New markets tax credit.
- Sec. 142. Employer credit for paid family and medical leave.
- Sec. 143. Work opportunity credit.
- Sec. 144. Certain provisions related to beer, wine, and distilled spirits.
- Sec. 145. Look-thru rule for related controlled foreign corporations.
- Sec. 146. Credit for health insurance costs of eligible individuals.

TITLE II—DISASTER TAX RELIEF

- Sec. 201. Definitions.
- Sec. 202. Special disaster-related rules for use of retirement funds.
- Sec. 203. Employee retention credit for employers affected by qualified disasters.
- Sec. 204. Other disaster-related tax relief provisions.
- Sec. 205. Automatic extension of filing deadlines in case of certain taxpayers affected by Federally declared disasters.
- Sec. 206. Modification of the tax rate for the excise tax on investment income of private foundations.
- Sec. 207. Additional low-income housing credit allocations for qualified 2017 and 2018 California disaster areas.
- Sec. 208. Treatment of certain possessions.

TITLE III—OTHER PROVISIONS

Sec. 301. Modification of income for purposes of determining tax-exempt status of certain mutual or cooperative telephone or electric companies.

Sec. 302. Repeal of increase in unrelated business taxable income for certain fringe benefit expenses.

1 (c) AMENDMENT OF 1986 CODE.—Except as other-
2 wise expressly provided, whenever in this division an
3 amendment or repeal is expressed in terms of an amend-
4 ment to, or repeal of, a section or other provision, the ref-
5 erence shall be considered to be made to a section or other
6 provision of the Internal Revenue Code of 1986.

7 **TITLE I—EXTENSION OF**
8 **CERTAIN EXPIRING PROVISIONS**
9 **Subtitle A—Tax Relief and Support**
10 **for Families and Individuals**

11 **SEC. 101. EXCLUSION FROM GROSS INCOME OF DISCHARGE**
12 **OF QUALIFIED PRINCIPAL RESIDENCE IN-**
13 **DEBTEDNESS.**

14 (a) IN GENERAL.—Section 108(a)(1)(E) is amended
15 by striking “January 1, 2018” each place it appears and
16 inserting “January 1, 2021”.

17 (b) CONFORMING AMENDMENT.—Section 108(h)(2)
18 is amended by inserting “and determined without regard
19 to the substitution described in section
20 163(h)(3)(F)(i)(II)” after “clause (ii) thereof”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to discharges of indebtedness after
23 December 31, 2017.

1 **SEC. 102. TREATMENT OF MORTGAGE INSURANCE PRE-**
2 **MIUMS AS QUALIFIED RESIDENCE INTEREST.**

3 (a) IN GENERAL.—Section 163(h)(3)(E)(iv)(I) is
4 amended by striking “December 31, 2017” and inserting
5 “December 31, 2020”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to amounts paid or accrued after
8 December 31, 2017.

9 **SEC. 103. REDUCTION IN MEDICAL EXPENSE DEDUCTION**
10 **FLOOR.**

11 (a) IN GENERAL.—Section 213(f) is amended to read
12 as follows:

13 “(f) TEMPORARY SPECIAL RULE.—In the case of tax-
14 able years beginning before January 1, 2021, subsection
15 (a) shall be applied with respect to a taxpayer by sub-
16 stituting ‘7.5 percent’ for ‘10 percent’.”

17 (b) ALTERNATIVE MINIMUM TAX.—Section 56(b)(1)
18 is amended by striking subparagraph (B) and by redesi-
19 gnating subparagraphs (C), (D), (E), and (F), as subpara-
20 graphs (B), (C), (D), and (E), respectively.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years ending after De-
23 cember 31, 2018.

1 **SEC. 104. DEDUCTION OF QUALIFIED TUITION AND RE-**
2 **LATED EXPENSES.**

3 (a) IN GENERAL.—Section 222(e) is amended by
4 striking “December 31, 2017” and inserting “December
5 31, 2020”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to taxable years beginning after
8 December 31, 2017.

9 **SEC. 105. BLACK LUNG DISABILITY TRUST FUND EXCISE**
10 **TAX.**

11 (a) IN GENERAL.—Section 4121(e)(2)(A) is amended
12 by striking “December 31, 2018” and inserting “Decem-
13 ber 31, 2020”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 this section shall apply on and after the first day of the
16 first calendar month beginning after the date of the enact-
17 ment of this Act.

18 **Subtitle B—Incentives for Employ-**
19 **ment, Economic Growth, and**
20 **Community Development**

21 **SEC. 111. INDIAN EMPLOYMENT CREDIT.**

22 (a) IN GENERAL.—Section 45A(f) is amended by
23 striking “December 31, 2017” and inserting “December
24 31, 2020”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2017.

4 **SEC. 112. RAILROAD TRACK MAINTENANCE CREDIT.**

5 (a) IN GENERAL.—Section 45G(f) is amended by
6 striking “January 1, 2018” and inserting “January 1,
7 2023”.

8 (b) SAFE HARBOR ASSIGNMENTS.—Any assignment,
9 including related expenditures paid or incurred, under sec-
10 tion 45G(b)(2) of the Internal Revenue Code of 1986 for
11 a taxable year beginning on or after January 1, 2018, and
12 ending before January 1, 2020, shall be treated as effec-
13 tive as of the close of such taxable year if made pursuant
14 to a written agreement entered into no later than 90 days
15 following the date of the enactment of this Act.

16 (c) EFFECTIVE DATE.—The amendment made by
17 this section shall apply to expenditures paid or incurred
18 during taxable years beginning after December 31, 2017.

19 **SEC. 113. MINE RESCUE TEAM TRAINING CREDIT.**

20 (a) IN GENERAL.—Section 45N(e) is amended by
21 striking “December 31, 2017” and inserting “December
22 31, 2020”.

23 (b) EFFECTIVE DATE.—The amendment made by
24 this section shall apply to taxable years beginning after
25 December 31, 2017.

1 **SEC. 114. CLASSIFICATION OF CERTAIN RACE HORSES AS 3-**
2 **YEAR PROPERTY.**

3 (a) IN GENERAL.—Section 168(e)(3)(A)(i) is amend-
4 ed—

5 (1) by striking “January 1, 2018” in subclause
6 (I) and inserting “January 1, 2021”, and

7 (2) by striking “December 31, 2017” in sub-
8 clause (II) and inserting “December 31, 2020”.

9 (b) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to property placed in service after
11 December 31, 2017.

12 **SEC. 115. 7-YEAR RECOVERY PERIOD FOR MOTORSPORTS**
13 **ENTERTAINMENT COMPLEXES.**

14 (a) IN GENERAL.—Section 168(i)(15)(D) is amended
15 by striking “December 31, 2017” and inserting “Decem-
16 ber 31, 2020”.

17 (b) EFFECTIVE DATE.—The amendment made by
18 this section shall apply to property placed in service after
19 December 31, 2017.

20 **SEC. 116. ACCELERATED DEPRECIATION FOR BUSINESS**
21 **PROPERTY ON INDIAN RESERVATIONS.**

22 (a) IN GENERAL.—Section 168(j)(9) is amended by
23 striking “December 31, 2017” and inserting “December
24 31, 2020”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to property placed in service after
3 December 31, 2017.

4 **SEC. 117. EXPENSING RULES FOR CERTAIN PRODUCTIONS.**

5 (a) IN GENERAL.—Section 181(g) is amended by
6 striking “December 31, 2017” and inserting “December
7 31, 2020”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply to productions commencing after
10 December 31, 2017.

11 **SEC. 118. EMPOWERMENT ZONE TAX INCENTIVES.**

12 (a) IN GENERAL.—Section 1391(d)(1)(A)(i) is
13 amended by striking “December 31, 2017” and inserting
14 “December 31, 2020”.

15 (b) TREATMENT OF CERTAIN TERMINATION DATES
16 SPECIFIED IN NOMINATIONS.—In the case of a designa-
17 tion of an empowerment zone the nomination for which
18 included a termination date which is contemporaneous
19 with the date specified in subparagraph (A)(i) of section
20 1391(d)(1) of the Internal Revenue Code of 1986 (as in
21 effect before the enactment of this Act), subparagraph (B)
22 of such section shall not apply with respect to such des-
23 ignation if, after the date of the enactment of this section,
24 the entity which made such nomination amends the nomi-
25 nation to provide for a new termination date in such man-

1 ner as the Secretary of the Treasury (or the Secretary's
2 designee) may provide.

3 (c) EFFECTIVE DATE.—The amendment made by
4 subsection (a) shall apply to taxable years beginning after
5 December 31, 2017.

6 **SEC. 119. AMERICAN SAMOA ECONOMIC DEVELOPMENT**
7 **CREDIT.**

8 (a) IN GENERAL.—Section 119(d) of division A of
9 the Tax Relief and Health Care Act of 2006 is amended—

10 (1) by striking “January 1, 2018” each place
11 it appears and inserting “January 1, 2021”,

12 (2) by striking “first 12 taxable years” in para-
13 graph (1) and inserting “first 15 taxable years”,

14 (3) by striking “first 6 taxable years” in para-
15 graph (2) and inserting “first 9 taxable years”, and

16 (4) by adding at the end the following flush
17 sentence:

18 “In the case of a corporation described in subsection
19 (a)(2), the Internal Revenue Code of 1986 shall be applied
20 and administered without regard to the amendments made
21 by section 401(d)(1) of the Tax Technical Corrections Act
22 of 2018.”.

23 (b) CONFORMING AMENDMENT.—Section 119(e) of
24 division A of the Tax Relief and Health Care Act of 2006

1 is amended by inserting “(as in effect before its repeal)”
2 after “section 199 of the Internal Revenue Code of 1986”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 December 31, 2017.

6 **Subtitle C—Incentives for Energy**
7 **Production, Efficiency, and**
8 **Green Economy Jobs**

9 **SEC. 121. BIODIESEL AND RENEWABLE DIESEL.**

10 (a) INCOME TAX CREDIT.—

11 (1) IN GENERAL.—Section 40A(g) is amended
12 by striking “December 31, 2017” and inserting
13 “December 31, 2022”.

14 (2) EFFECTIVE DATE.—The amendment made
15 by this subsection shall apply to fuel sold or used
16 after December 31, 2017.

17 (b) EXCISE TAX INCENTIVES.—

18 (1) TERMINATION.—

19 (A) IN GENERAL.—Section 6426(e)(6) is
20 amended by striking “December 31, 2017” and
21 inserting “December 31, 2022”.

22 (B) PAYMENTS.—Section 6427(e)(6)(B) is
23 amended by striking “December 31, 2017” and
24 inserting “December 31, 2022”.

1 (2) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply to fuel sold or used
3 after December 31, 2017.

4 (3) SPECIAL RULE.—Notwithstanding any other
5 provision of law, in the case of any biodiesel mixture
6 credit properly determined under section 6426(c) of
7 the Internal Revenue Code of 1986 for the period
8 beginning on January 1, 2018, and ending with the
9 close of the last calendar quarter beginning before
10 the date of the enactment of this Act, such credit
11 shall be allowed, and any refund or payment attrib-
12 utable to such credit (including any payment under
13 section 6427(e) of such Code) shall be made, only in
14 such manner as the Secretary of the Treasury (or
15 the Secretary's delegate) shall provide. Such Sec-
16 retary shall issue guidance within 30 days after the
17 date of the enactment of this Act providing for a
18 one-time submission of claims covering periods de-
19 scribed in the preceding sentence. Such guidance
20 shall provide for a 180-day period for the submission
21 of such claims (in such manner as prescribed by
22 such Secretary) to begin not later than 30 days after
23 such guidance is issued. Such claims shall be paid
24 by such Secretary not later than 60 days after re-
25 ceipt. If such Secretary has not paid pursuant to a

1 claim filed under this subsection within 60 days
2 after the date of the filing of such claim, the claim
3 shall be paid with interest from such date deter-
4 mined by using the overpayment rate and method
5 under section 6621 of such Code.

6 **SEC. 122. SECOND GENERATION BIOFUEL PRODUCER**
7 **CREDIT.**

8 (a) IN GENERAL.—Section 40(b)(6)(J)(i) is amended
9 by striking “January 1, 2018” and inserting “January 1,
10 2021”.

11 (b) EFFECTIVE DATE.—The amendment made by
12 this section shall apply to qualified second generation
13 biofuel production after December 31, 2017.

14 **SEC. 123. NONBUSINESS ENERGY PROPERTY.**

15 (a) IN GENERAL.—Section 25C(g)(2) is amended by
16 striking “December 31, 2017” and inserting “December
17 31, 2020”.

18 (b) TECHNICAL AMENDMENT.—Section 25C(d)(3) is
19 amended—

20 (1) by striking “an energy factor of at least
21 2.0” in subparagraph (A) and inserting “a Uniform
22 Energy Factor of at least 2.2”, and

23 (2) by striking “an energy factor” in subpara-
24 graph (D) and inserting “a Uniform Energy Fac-
25 tor”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to property placed in service after
3 December 31, 2017.

4 **SEC. 124. QUALIFIED FUEL CELL MOTOR VEHICLES.**

5 (a) IN GENERAL.—Section 30B(k)(1) is amended by
6 striking “December 31, 2017” and inserting “December
7 31, 2020”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply to property purchased after De-
10 cember 31, 2017.

11 **SEC. 125. ALTERNATIVE FUEL REFUELING PROPERTY**
12 **CREDIT.**

13 (a) IN GENERAL.—Section 30C(g) is amended by
14 striking “December 31, 2017” and inserting “December
15 31, 2020”.

16 (b) EFFECTIVE DATE.—The amendment made by
17 this section shall apply to property placed in service after
18 December 31, 2017.

19 **SEC. 126. 2-WHEELED PLUG-IN ELECTRIC VEHICLE CREDIT.**

20 (a) IN GENERAL.—Section 30D(g)(3)(E)(ii) is
21 amended by striking “January 1, 2018” and inserting
22 “January 1, 2021”.

23 (b) EFFECTIVE DATE.—The amendment made by
24 this section shall apply to vehicles acquired after Decem-
25 ber 31, 2017.

1 **SEC. 127. CREDIT FOR ELECTRICITY PRODUCED FROM**
2 **CERTAIN RENEWABLE RESOURCES.**

3 (a) **IN GENERAL.**—The following provisions of sec-
4 tion 45(d) are each amended by striking “January 1,
5 2018” each place it appears and inserting “January 1,
6 2021”:

7 (1) Paragraph (2)(A).

8 (2) Paragraph (3)(A).

9 (3) Paragraph (4)(B).

10 (4) Paragraph (6).

11 (5) Paragraph (7).

12 (6) Paragraph (9).

13 (7) Paragraph (11)(B).

14 (b) **EXTENSION OF ELECTION TO TREAT QUALIFIED**
15 **FACILITIES AS ENERGY PROPERTY.**—Section
16 48(a)(5)(C)(ii) is amended by striking “January 1, 2018
17 (January 1, 2020, in the case of any facility which is de-
18 scribed in paragraph (1) of section 45(d))” and inserting
19 “January 1, 2021”.

20 (c) **APPLICATION OF EXTENSION TO WIND FACILI-**
21 **TIES.**—

22 (1) **IN GENERAL.**—Section 45(d)(1) is amended
23 by striking “January 1, 2020” and inserting “Janu-
24 ary 1, 2021”.

25 (2) **APPLICATION OF PHASEOUT PERCENT-**
26 **AGE.**—

1 (A) IN GENERAL.—Section 45(b)(5) is
2 amended by striking “and” at the end of sub-
3 paragraph (B), by striking the period at the
4 end of subparagraph (C) and inserting “, and”,
5 and by adding at the end the following new sub-
6 paragraph:

7 “(D) in the case of any facility the con-
8 struction of which begins after December 31,
9 2019, and before January 1, 2021, 40 per-
10 cent.”.

11 (B) TREATMENT AS ENERGY PROPERTY.—
12 Section 48(a)(5)(E) is amended by striking
13 “and” at the end of clause (ii), by striking the
14 period at the end of clause (iii) and inserting “,
15 and”, and by adding at the end the following
16 new clause:

17 “(iv) in the case of any facility the
18 construction of which begins after Decem-
19 ber 31, 2019, and before January 1, 2021,
20 40 percent.”.

21 (d) EFFECTIVE DATE.—The amendments made by
22 this section shall take effect on January 1, 2018.

1 **SEC. 128. PRODUCTION CREDIT FOR INDIAN COAL FACILI-**
2 **TIES.**

3 (a) IN GENERAL.—Section 45(e)(10)(A) is amended
4 by striking “12-year period” each place it appears and in-
5 serting “15-year period”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to coal produced after December
8 31, 2017.

9 **SEC. 129. ENERGY EFFICIENT HOMES CREDIT.**

10 (a) IN GENERAL.—Section 45L(g) is amended by
11 striking “December 31, 2017” and inserting “December
12 31, 2020”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to homes acquired after December
15 31, 2017.

16 **SEC. 130. SPECIAL ALLOWANCE FOR SECOND GENERATION**
17 **BIOFUEL PLANT PROPERTY.**

18 (a) IN GENERAL.—Section 168(l)(2)(D) is amended
19 by striking “January 1, 2018” and inserting “January 1,
20 2021”.

21 (b) EFFECTIVE DATE.—The amendment made by
22 this section shall apply to property placed in service after
23 December 31, 2017.

1 **SEC. 131. ENERGY EFFICIENT COMMERCIAL BUILDINGS DE-**
2 **DUCTION.**

3 (a) IN GENERAL.—Section 179D(h) is amended by
4 striking “December 31, 2017” and inserting “December
5 31, 2020”.

6 (b) EFFECTIVE DATES.—The amendment made by
7 subsection (a) shall apply to property placed in service
8 after December 31, 2017.

9 **SEC. 132. SPECIAL RULE FOR SALES OR DISPOSITIONS TO**
10 **IMPLEMENT FERC OR STATE ELECTRIC RE-**
11 **STRUCTURING POLICY FOR QUALIFIED ELEC-**
12 **TRIC UTILITIES.**

13 (a) IN GENERAL.—Section 451(k)(3) is amended by
14 striking “January 1, 2018” and inserting “January 1,
15 2021”.

16 (b) EFFECTIVE DATE.—The amendment made by
17 this section shall apply to dispositions after December 31,
18 2017.

19 **SEC. 133. EXTENSION AND CLARIFICATION OF EXCISE TAX**
20 **CREDITS RELATING TO ALTERNATIVE FUELS.**

21 (a) EXTENSION.—

22 (1) IN GENERAL.—Sections 6426(d)(5) and
23 6426(e)(3) are each amended by striking “December
24 31, 2017” and inserting “December 31, 2020”.

25 (2) OUTLAY PAYMENTS FOR ALTERNATIVE
26 FUELS.—Section 6427(e)(6)(C) is amended by strik-

1 ing “December 31, 2017” and inserting “December
2 31, 2020”.

3 (3) SPECIAL RULE.—Notwithstanding any other
4 provision of law, in the case of any alternative fuel
5 credit properly determined under section 6426(d) of
6 the Internal Revenue Code of 1986 for the period
7 beginning on January 1, 2018, and ending with the
8 close of the last calendar quarter beginning before
9 the date of the enactment of this Act, such credit
10 shall be allowed, and any refund or payment attrib-
11 utable to such credit (including any payment under
12 section 6427(e) of such Code) shall be made, only in
13 such manner as the Secretary of the Treasury (or
14 the Secretary’s delegate) shall provide. Such Sec-
15 retary shall issue guidance within 30 days after the
16 date of the enactment of this Act providing for a
17 one-time submission of claims covering periods de-
18 scribed in the preceding sentence. Such guidance
19 shall provide for a 180-day period for the submission
20 of such claims (in such manner as prescribed by
21 such Secretary) to begin not later than 30 days after
22 such guidance is issued. Such claims shall be paid
23 by such Secretary not later than 60 days after re-
24 ceipt. If such Secretary has not paid pursuant to a
25 claim filed under this subsection within 60 days

1 after the date of the filing of such claim, the claim
2 shall be paid with interest from such date deter-
3 mined by using the overpayment rate and method
4 under section 6621 of such Code.

5 (4) EFFECTIVE DATE.—The amendments made
6 by this subsection shall apply to fuel sold or used
7 after December 31, 2017.

8 (b) CLARIFICATION OF RULES REGARDING ALTER-
9 NATIVE FUEL MIXTURE CREDIT.—

10 (1) IN GENERAL.—Paragraph (2) of section
11 6426(e) is amended by striking “mixture of alter-
12 native fuel” and inserting “mixture of alternative
13 fuel (other than a fuel described in subparagraph
14 (A), (C), or (F) of subsection (d)(2))”.

15 (2) EFFECTIVE DATE.—The amendment made
16 by this subsection shall apply to—

17 (A) fuel sold or used on or after the date
18 of the enactment of this Act, and

19 (B) fuel sold or used before such date of
20 enactment, but only to the extent that claims
21 for the credit under section 6426(e) of the In-
22 ternal Revenue Code of 1986 with respect to
23 such sale or use—

24 (i) have not been paid or allowed as of
25 such date, and

1 (ii) were made on or after January 8,
2 2018.

3 (3) NO INFERENCE.—Nothing contained in this
4 subsection or the amendments made by this sub-
5 section shall be construed to create any inference as
6 to a change in law or guidance in effect prior to en-
7 actment of this subsection.

8 **SEC. 134. OIL SPILL LIABILITY TRUST FUND RATE.**

9 (a) IN GENERAL.—Section 4611(f)(2) is amended by
10 striking “December 31, 2018” and inserting “December
11 31, 2020”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this section shall apply on and after the first day of the
14 first calendar month beginning after the date of the enact-
15 ment of this Act.

16 **Subtitle D—Certain Provisions**
17 **Expiring at the End of 2019**

18 **SEC. 141. NEW MARKETS TAX CREDIT.**

19 (a) IN GENERAL.—Section 45D(f)(1) is amended by
20 striking “and” at the end of subparagraph (F), by striking
21 the period at the end of subparagraph (G) and inserting
22 “, and”, and by adding at the end the following new sub-
23 paragraph:

24 “(H) \$5,000,000,000 for 2020.”.

1 (b) CARRYOVER OF UNUSED LIMITATION.—Section
2 45D(f)(3) is amended by striking “2024” and inserting
3 “2025”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to calendar years beginning after
6 December 31, 2019.

7 **SEC. 142. EMPLOYER CREDIT FOR PAID FAMILY AND MED-**
8 **ICAL LEAVE.**

9 (a) IN GENERAL.—Section 45S(i) is amended by
10 striking “December 31, 2019” and inserting “December
11 31, 2020”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this section shall apply to wages paid in taxable years be-
14 ginning after December 31, 2019.

15 **SEC. 143. WORK OPPORTUNITY CREDIT.**

16 (a) IN GENERAL.—Section 51(c)(4) is amended by
17 striking “December 31, 2019” and inserting “December
18 31, 2020”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 this section shall apply to individuals who begin work for
21 the employer after December 31, 2019.

22 **SEC. 144. CERTAIN PROVISIONS RELATED TO BEER, WINE,**
23 **AND DISTILLED SPIRITS.**

24 (a) EXEMPTION FOR AGING PROCESS OF BEER,
25 WINE, AND DISTILLED SPIRITS.—

1 (1) IN GENERAL.—Section 263A(f)(4)(B) is
2 amended by striking “December 31, 2019” and in-
3 serting “December 31, 2020”.

4 (2) EFFECTIVE DATE.—The amendment made
5 by this subsection shall apply to interest costs paid
6 or accrued after December 31, 2019.

7 (b) REDUCED RATE OF EXCISE TAX ON BEER.—

8 (1) IN GENERAL.—Paragraphs (1)(C) and
9 (2)(A) of section 5051(a) are each amended by
10 striking “January 1, 2020” and inserting “January
11 1, 2021”.

12 (2) EFFECTIVE DATE.—The amendments made
13 by this subsection shall apply to beer removed after
14 December 31, 2019.

15 (c) TRANSFER OF BEER BETWEEN BONDED FACILI-
16 TIES.—

17 (1) IN GENERAL.—Section 5414(b)(3) is
18 amended by striking “December 31, 2019” and in-
19 serting “December 31, 2020”.

20 (2) EFFECTIVE DATE.—The amendment made
21 by this subsection shall apply to calendar quarters
22 beginning after December 31, 2019.

23 (d) REDUCED RATE OF EXCISE TAX ON CERTAIN
24 WINE.—

1 (1) IN GENERAL.—Section 5041(c)(8)(A) is
2 amended by striking “January 1, 2020” and insert-
3 ing “January 1, 2021”.

4 (2) CONFORMING AMENDMENT.—The heading
5 of section 5041(c)(8) is amended by striking “SPE-
6 CIAL RULE FOR 2018 AND 2019” and inserting
7 “TEMPORARY SPECIAL RULE”.

8 (3) EFFECTIVE DATE.—The amendments made
9 by this subsection shall apply to wine removed after
10 December 31, 2019.

11 (e) ADJUSTMENT OF ALCOHOL CONTENT LEVEL FOR
12 APPLICATION OF EXCISE TAXES.—

13 (1) IN GENERAL.—Paragraphs (1) and (2) of
14 section 5041(b) are each amended by striking “Jan-
15 uary 1, 2020” and inserting “January 1, 2021”.

16 (2) EFFECTIVE DATE.—The amendments made
17 by this subsection shall apply to wine removed after
18 December 31, 2019.

19 (f) DEFINITION OF MEAD AND LOW ALCOHOL BY
20 VOLUME WINE.—

21 (1) IN GENERAL.—Section 5041(h)(3) is
22 amended by striking “December 31, 2019” and in-
23 serting “December 31, 2020”.

1 (2) EFFECTIVE DATE.—The amendment made
2 by this subsection shall apply to wine removed after
3 December 31, 2019.

4 (g) REDUCED RATE OF EXCISE TAX ON CERTAIN
5 DISTILLED SPIRITS.—

6 (1) IN GENERAL.—Section 5001(c)(4) is
7 amended by striking “December 31, 2019” and in-
8 serting “December 31, 2020”.

9 (2) CONFORMING AMENDMENT.—The heading
10 of section 5001(c) is amended by striking “RE-
11 DUCED RATE FOR 2018 AND 2019” and inserting
12 “TEMPORARY REDUCED RATE”.

13 (3) EFFECTIVE DATE.—The amendments made
14 by this subsection shall apply to distilled spirits re-
15 moved after December 31, 2019.

16 (h) BULK DISTILLED SPIRITS.—

17 (1) IN GENERAL.—Section 5212 is amended by
18 striking “January 1, 2020” and inserting “January
19 1, 2021”.

20 (2) EFFECTIVE DATE.—The amendment made
21 by this subsection shall apply to distilled spirits
22 transferred in bond after December 31, 2019.

23 (i) SIMPLIFICATION OF RULES REGARDING
24 RECORDS, STATEMENTS, AND RETURNS.—

1 (1) IN GENERAL.—Section 5555(a) is amended
2 by striking “January 1, 2020” and inserting “Janu-
3 ary 1, 2021”.

4 (2) EFFECTIVE DATE.—The amendment made
5 by this subsection shall apply to calendar quarters
6 beginning after December 31, 2019.

7 (j) TECHNICAL CORRECTION.—

8 (1) IN GENERAL.—Section 5041(c)(8) is
9 amended by adding at the end the following new
10 subparagraph:

11 “(C) APPLICATION OF CERTAIN RULES.—
12 Paragraphs (3) and (6) shall be applied by sub-
13 stituting ‘paragraph (1) or (8)’ for ‘paragraph
14 (1)’ each place it appears therein.”.

15 (2) EFFECTIVE DATE.—The amendment made
16 by this subsection shall take effect as if included in
17 section 13804 of Public Law 115-97.

18 **SEC. 145. LOOK-THRU RULE FOR RELATED CONTROLLED**
19 **FOREIGN CORPORATIONS.**

20 (a) IN GENERAL.—Section 954(c)(6)(C) is amended
21 by striking “January 1, 2020” and inserting “January 1,
22 2021”.

23 (b) EFFECTIVE DATE.—The amendment made by
24 this section shall apply to taxable years of foreign corpora-
25 tions beginning after December 31, 2019, and to taxable

1 years of United States shareholders with or within which
2 such taxable years of foreign corporations end.

3 **SEC. 146. CREDIT FOR HEALTH INSURANCE COSTS OF ELI-**
4 **GIBLE INDIVIDUALS.**

5 (a) IN GENERAL.—Section 35(b)(1)(B) is amended
6 by striking “January 1, 2020” and inserting “January 1,
7 2021”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply to months beginning after Decem-
10 ber 31, 2019.

11 **TITLE II—DISASTER TAX RELIEF**

12 **SEC. 201. DEFINITIONS.**

13 For purposes of this title—

14 (1) QUALIFIED DISASTER AREA.—

15 (A) IN GENERAL.—The term “qualified
16 disaster area” means any area with respect to
17 which a major disaster was declared, during the
18 period beginning on January 1, 2018, and end-
19 ing on the date which is 60 days after the date
20 of the enactment of this Act, by the President
21 under section 401 of the Robert T. Stafford
22 Disaster Relief and Emergency Assistance Act
23 if the incident period of the disaster with re-
24 spect to which such declaration is made begins

1 on or before the date of the enactment of this
2 Act.

3 (B) DENIAL OF DOUBLE BENEFIT.—Such
4 term shall not include the California wildfire
5 disaster area (as defined in section 20101 of
6 subdivision 2 of division B of the Bipartisan
7 Budget Act of 2018).

8 (2) QUALIFIED DISASTER ZONE.—The term
9 “qualified disaster zone” means that portion of any
10 qualified disaster area which was determined by the
11 President, during the period beginning on January
12 1, 2018, and ending on the date which is 60 days
13 after the date of the enactment of this Act, to war-
14 rant individual or individual and public assistance
15 from the Federal Government under the Robert T.
16 Stafford Disaster Relief and Emergency Assistance
17 Act by reason of the qualified disaster with respect
18 to such disaster area.

19 (3) QUALIFIED DISASTER.—The term “quali-
20 fied disaster” means, with respect to any qualified
21 disaster area, the disaster by reason of which a
22 major disaster was declared with respect to such
23 area.

24 (4) INCIDENT PERIOD.—The term “incident pe-
25 riod” means, with respect to any qualified disaster,

1 the period specified by the Federal Emergency Man-
2 agement Agency as the period during which such
3 disaster occurred (except that for purposes of this
4 title such period shall not be treated as beginning
5 before January 1, 2018, or ending after the date
6 which is 30 days after the date of the enactment of
7 this Act).

8 **SEC. 202. SPECIAL DISASTER-RELATED RULES FOR USE OF**
9 **RETIREMENT FUNDS.**

10 (a) TAX-FAVORED WITHDRAWALS FROM RETIRE-
11 MENT PLANS.—

12 (1) IN GENERAL.—Section 72(t) of the Internal
13 Revenue Code of 1986 shall not apply to any quali-
14 fied disaster distribution.

15 (2) AGGREGATE DOLLAR LIMITATION.—

16 (A) IN GENERAL.—For purposes of this
17 subsection, the aggregate amount of distribu-
18 tions received by an individual which may be
19 treated as qualified disaster distributions for
20 any taxable year shall not exceed the excess (if
21 any) of—

22 (i) \$100,000, over

23 (ii) the aggregate amounts treated as
24 qualified disaster distributions received by
25 such individual for all prior taxable years.

1 (B) TREATMENT OF PLAN DISTRIBUTIONS.—If a distribution to an individual would
2 TIONS.—If a distribution to an individual would
3 (without regard to subparagraph (A)) be a
4 qualified disaster distribution, a plan shall not
5 be treated as violating any requirement of the
6 Internal Revenue Code of 1986 merely because
7 the plan treats such distribution as a qualified
8 disaster distribution, unless the aggregate
9 amount of such distributions from all plans
10 maintained by the employer (and any member
11 of any controlled group which includes the em-
12 ployer) to such individual exceeds \$100,000.

13 (C) CONTROLLED GROUP.—For purposes
14 of subparagraph (B), the term “controlled
15 group” means any group treated as a single
16 employer under subsection (b), (c), (m), or (o)
17 of section 414 of the Internal Revenue Code of
18 1986.

19 (D) SPECIAL RULE FOR INDIVIDUALS AF-
20 FECTED BY MORE THAN ONE DISASTER.—The
21 limitation of subparagraph (A) shall be applied
22 separately with respect to distributions made
23 with respect to each qualified disaster.

24 (3) AMOUNT DISTRIBUTED MAY BE REPAID.—

1 (A) IN GENERAL.—Any individual who re-
2 ceives a qualified disaster distribution may, at
3 any time during the 3-year period beginning on
4 the day after the date on which such distribu-
5 tion was received, make 1 or more contributions
6 in an aggregate amount not to exceed the
7 amount of such distribution to an eligible retire-
8 ment plan of which such individual is a bene-
9 ficiary and to which a rollover contribution of
10 such distribution could be made under section
11 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or
12 457(e)(16), of the Internal Revenue Code of
13 1986, as the case may be.

14 (B) TREATMENT OF REPAYMENTS OF DIS-
15 TRIBUTIONS FROM ELIGIBLE RETIREMENT
16 PLANS OTHER THAN IRAS.—For purposes of
17 the Internal Revenue Code of 1986, if a con-
18 tribution is made pursuant to subparagraph (A)
19 with respect to a qualified disaster distribution
20 from an eligible retirement plan other than an
21 individual retirement plan, then the taxpayer
22 shall, to the extent of the amount of the con-
23 tribution, be treated as having received the
24 qualified disaster distribution in an eligible roll-
25 over distribution (as defined in section

1 402(c)(4) of such Code) and as having trans-
2 ferred the amount to the eligible retirement
3 plan in a direct trustee to trustee transfer with-
4 in 60 days of the distribution.

5 (C) TREATMENT OF REPAYMENTS OF DIS-
6 TRIBUTIONS FROM IRAS.—For purposes of the
7 Internal Revenue Code of 1986, if a contribu-
8 tion is made pursuant to subparagraph (A)
9 with respect to a qualified disaster distribution
10 from an individual retirement plan (as defined
11 by section 7701(a)(37) of such Code), then, to
12 the extent of the amount of the contribution,
13 the qualified disaster distribution shall be treat-
14 ed as a distribution described in section
15 408(d)(3) of such Code and as having been
16 transferred to the eligible retirement plan in a
17 direct trustee to trustee transfer within 60 days
18 of the distribution.

19 (4) DEFINITIONS.—For purposes of this sub-
20 section—

21 (A) QUALIFIED DISASTER DISTRIBUTION.—Except as provided in paragraph (2),
22 the term “qualified disaster distribution” means
23 any distribution from an eligible retirement
24 plan made—
25

1 (i) on or after the first day of the inci-
2 cident period of a qualified disaster and
3 before the date which is 180 days after the
4 date of the enactment of this Act, and

5 (ii) to an individual whose principal
6 place of abode at any time during the inci-
7 dent period of such qualified disaster is lo-
8 cated in the qualified disaster area with re-
9 spect to such qualified disaster and who
10 has sustained an economic loss by reason
11 of such qualified disaster.

12 (B) ELIGIBLE RETIREMENT PLAN.—The
13 term “eligible retirement plan” shall have the
14 meaning given such term by section
15 402(c)(8)(B) of the Internal Revenue Code of
16 1986.

17 (5) INCOME INCLUSION SPREAD OVER 3-YEAR
18 PERIOD.—

19 (A) IN GENERAL.—In the case of any
20 qualified disaster distribution, unless the tax-
21 payer elects not to have this paragraph apply
22 for any taxable year, any amount required to be
23 included in gross income for such taxable year
24 shall be so included ratably over the 3-taxable-
25 year period beginning with such taxable year.

1 (B) SPECIAL RULE.—For purposes of sub-
2 paragraph (A), rules similar to the rules of sub-
3 paragraph (E) of section 408A(d)(3) of the In-
4 ternal Revenue Code of 1986 shall apply.

5 (6) SPECIAL RULES.—

6 (A) EXEMPTION OF DISTRIBUTIONS FROM
7 TRUSTEE TO TRUSTEE TRANSFER AND WITH-
8 HOLDING RULES.—For purposes of sections
9 401(a)(31), 402(f), and 3405 of the Internal
10 Revenue Code of 1986, qualified disaster dis-
11 tributions shall not be treated as eligible roll-
12 over distributions.

13 (B) QUALIFIED DISASTER DISTRIBUTIONS
14 TREATED AS MEETING PLAN DISTRIBUTION RE-
15 QUIREMENTS.—For purposes the Internal Rev-
16 enue Code of 1986, a qualified disaster dis-
17 tribution shall be treated as meeting the re-
18 quirements of sections 401(k)(2)(B)(i),
19 403(b)(7)(A)(ii), 403(b)(11), and 457(d)(1)(A)
20 of such Code.

21 (b) RECONTRIBUTIONS OF WITHDRAWALS FOR
22 HOME PURCHASES.—

23 (1) RECONTRIBUTIONS.—

24 (A) IN GENERAL.—Any individual who re-
25 ceived a qualified distribution may, during the

1 applicable period, make 1 or more contributions
2 in an aggregate amount not to exceed the
3 amount of such qualified distribution to an eli-
4 gible retirement plan (as defined in section
5 402(c)(8)(B) of the Internal Revenue Code of
6 1986) of which such individual is a beneficiary
7 and to which a rollover contribution of such dis-
8 tribution could be made under section 402(c),
9 403(a)(4), 403(b)(8), or 408(d)(3), of such
10 Code, as the case may be.

11 (B) TREATMENT OF REPAYMENTS.—Rules
12 similar to the rules of subparagraphs (B) and
13 (C) of subsection (a)(3) shall apply for purposes
14 of this subsection.

15 (2) QUALIFIED DISTRIBUTION.—For purposes
16 of this subsection, the term “qualified distribution”
17 means any distribution—

18 (A) described in section
19 401(k)(2)(B)(i)(IV), 403(b)(7)(A)(ii) (but only
20 to the extent such distribution relates to finan-
21 cial hardship), 403(b)(11)(B), or 72(t)(2)(F),
22 of the Internal Revenue Code of 1986,

23 (B) which was to be used to purchase or
24 construct a principal residence in a qualified
25 disaster area, but which was not so used on ac-

1 count of the qualified disaster with respect to
2 such area, and

3 (C) which was received during the period
4 beginning on the date which is 180 days before
5 the first day of the incident period of such
6 qualified disaster and ending on the date which
7 is 30 days after the last day of such incident
8 period.

9 (3) APPLICABLE PERIOD.—For purposes of this
10 subsection, the term “applicable period” means, in
11 the case of a principal residence in a qualified dis-
12 aster area with respect to any qualified disaster, the
13 period beginning on the first day of the incident pe-
14 riod of such qualified disaster and ending on the
15 date which is 180 days after the date of the enact-
16 ment of this Act.

17 (c) LOANS FROM QUALIFIED PLANS.—

18 (1) INCREASE IN LIMIT ON LOANS NOT TREAT-
19 ED AS DISTRIBUTIONS.—In the case of any loan
20 from a qualified employer plan (as defined under
21 section 72(p)(4) of the Internal Revenue Code of
22 1986) to a qualified individual made during the 180-
23 day period beginning on the date of the enactment
24 of this Act—

1 (A) clause (i) of section 72(p)(2)(A) of
2 such Code shall be applied by substituting
3 “\$100,000” for “\$50,000”, and

4 (B) clause (ii) of such section shall be ap-
5 plied by substituting “the present value of the
6 nonforfeitable accrued benefit of the employee
7 under the plan” for “one-half of the present
8 value of the nonforfeitable accrued benefit of
9 the employee under the plan”.

10 (2) DELAY OF REPAYMENT.—In the case of a
11 qualified individual (with respect to any qualified
12 disaster) with an outstanding loan (on or after the
13 first day of the incident period of such qualified dis-
14 aster) from a qualified employer plan (as defined in
15 section 72(p)(4) of the Internal Revenue Code of
16 1986)—

17 (A) if the due date pursuant to subpara-
18 graph (B) or (C) of section 72(p)(2) of such
19 Code for any repayment with respect to such
20 loan occurs during the period beginning on the
21 first day of the incident period of such qualified
22 disaster and ending on the date which is 180
23 days after the last day of such incident period,
24 such due date shall be delayed for 1 year (or,

1 if later, until the date which is 180 days after
2 the date of the enactment of this Act),

3 (B) any subsequent repayments with re-
4 spect to any such loan shall be appropriately
5 adjusted to reflect the delay in the due date
6 under subparagraph (A) and any interest accru-
7 ing during such delay, and

8 (C) in determining the 5-year period and
9 the term of a loan under subparagraph (B) or
10 (C) of section 72(p)(2) of such Code, the period
11 described in subparagraph (A) of this para-
12 graph shall be disregarded.

13 (3) QUALIFIED INDIVIDUAL.—For purposes of
14 this subsection, the term “qualified individual”
15 means any individual—

16 (A) whose principal place of abode at any
17 time during the incident period of any qualified
18 disaster is located in the qualified disaster area
19 with respect to such qualified disaster, and

20 (B) who has sustained an economic loss by
21 reason of such qualified disaster.

22 (d) PROVISIONS RELATING TO PLAN AMEND-
23 MENTS.—

24 (1) IN GENERAL.—If this subsection applies to
25 any amendment to any plan or annuity contract,

1 such plan or contract shall be treated as being oper-
2 ated in accordance with the terms of the plan during
3 the period described in paragraph (2)(B)(i).

4 (2) AMENDMENTS TO WHICH SUBSECTION AP-
5 PLIES.—

6 (A) IN GENERAL.—This subsection shall
7 apply to any amendment to any plan or annuity
8 contract which is made—

9 (i) pursuant to any provision of this
10 section, or pursuant to any regulation
11 issued by the Secretary or the Secretary of
12 Labor under any provision of this section,
13 and

14 (ii) on or before the last day of the
15 first plan year beginning on or after Janu-
16 ary 1, 2020, or such later date as the Sec-
17 retary may prescribe.

18 In the case of a governmental plan (as defined
19 in section 414(d) of the Internal Revenue Code
20 of 1986), clause (ii) shall be applied by sub-
21 stituting the date which is 2 years after the
22 date otherwise applied under clause (ii).

23 (B) CONDITIONS.—This subsection shall
24 not apply to any amendment unless—

25 (i) during the period—

1 (I) beginning on the date that
2 this section or the regulation de-
3 scribed in subparagraph (A)(i) takes
4 effect (or in the case of a plan or con-
5 tract amendment not required by this
6 section or such regulation, the effec-
7 tive date specified by the plan), and

8 (II) ending on the date described
9 in subparagraph (A)(ii) (or, if earlier,
10 the date the plan or contract amend-
11 ment is adopted),

12 the plan or contract is operated as if such plan
13 or contract amendment were in effect, and

14 (ii) such plan or contract amendment
15 applies retroactively for such period.

16 **SEC. 203. EMPLOYEE RETENTION CREDIT FOR EMPLOYERS**
17 **AFFECTED BY QUALIFIED DISASTERS.**

18 (a) IN GENERAL.—For purposes of section 38 of the
19 Internal Revenue Code of 1986, in the case of an eligible
20 employer, the 2018 through 2019 qualified disaster em-
21 ployee retention credit shall be treated as a credit listed
22 at the end of subsection (b) of such section. For purposes
23 of this subsection, the 2018 through 2019 qualified dis-
24 aster employee retention credit for any taxable year is an
25 amount equal to 40 percent of the qualified wages with

1 respect to each eligible employee of such employer for such
2 taxable year. The amount of qualified wages with respect
3 to any employee which may be taken into account under
4 this subsection by the employer for any taxable year shall
5 not exceed \$6,000 (reduced by the amount of qualified
6 wages with respect to such employee which may be so
7 taken into account for any prior taxable year).

8 (b) DEFINITIONS.—For purposes of this section—

9 (1) ELIGIBLE EMPLOYER.—The term “eligible
10 employer” means any employer—

11 (A) which conducted an active trade or
12 business in a qualified disaster zone at any time
13 during the incident period of the qualified dis-
14 aster with respect to such qualified disaster
15 zone, and

16 (B) with respect to whom the trade or
17 business described in subparagraph (A) is inop-
18 erable at any time during the period beginning
19 on the first day of the incident period of such
20 qualified disaster and ending on the date of the
21 enactment of this Act, as a result of damage
22 sustained by reason of such qualified disaster.

23 (2) ELIGIBLE EMPLOYEE.—The term “eligible
24 employee” means with respect to an eligible em-
25 ployer an employee whose principal place of employ-

1 ment with such eligible employer (determined imme-
2 diately before the qualified disaster referred to in
3 paragraph (1)) was in the qualified disaster zone re-
4 ferred to in such paragraph.

5 (3) QUALIFIED WAGES.—The term “qualified
6 wages” means wages (as defined in section 51(c)(1)
7 of the Internal Revenue Code of 1986, but without
8 regard to section 3306(b)(2)(B) of such Code) paid
9 or incurred by an eligible employer with respect to
10 an eligible employee at any time on or after the date
11 on which the trade or business described in para-
12 graph (1) first became inoperable at the principal
13 place of employment of the employee (determined
14 immediately before the qualified disaster referred to
15 in such paragraph) and before the earlier of—

16 (A) the date on which such trade or busi-
17 ness has resumed significant operations at such
18 principal place of employment, or

19 (B) the date which 150 days after the last
20 day of the incident period of the qualified dis-
21 aster referred to in paragraph (1).

22 Such term shall include wages paid without regard
23 to whether the employee performs no services, per-
24 forms services at a different place of employment
25 than such principal place of employment, or per-

1 forms services at such principal place of employment
2 before significant operations have resumed.

3 (c) CERTAIN RULES TO APPLY.—For purposes of
4 this section, rules similar to the rules of sections 51(i)(1),
5 52, and 280C(a), of the Internal Revenue Code of 1986,
6 shall apply.

7 (d) EMPLOYEE NOT TAKEN INTO ACCOUNT MORE
8 THAN ONCE.—An employee shall not be treated as an eli-
9 gible employee for purposes of this section for any period
10 with respect to any employer if such employer is allowed
11 a credit under section 51 of the Internal Revenue Code
12 of 1986 with respect to such employee for such period.

13 **SEC. 204. OTHER DISASTER-RELATED TAX RELIEF PROVI-**
14 **SIONS.**

15 (a) TEMPORARY INCREASE IN LIMITATION ON
16 QUALIFIED CONTRIBUTIONS.—

17 (1) SUSPENSION OF CURRENT LIMITATION.—
18 Except as otherwise provided in paragraph (2),
19 qualified contributions shall be disregarded in apply-
20 ing subsections (b) and (d) of section 170 of the In-
21 ternal Revenue Code of 1986.

22 (2) APPLICATION OF INCREASED LIMITATION.—
23 For purposes of section 170 of the Internal Revenue
24 Code of 1986—

1 (A) INDIVIDUALS.—In the case of an indi-
2 vidual—

3 (i) LIMITATION.—Any qualified con-
4 tribution shall be allowed as a deduction
5 only to the extent that the aggregate of
6 such contributions does not exceed the ex-
7 cess of the taxpayer's contribution base (as
8 defined in subparagraph (H) of section
9 170(b)(1) of such Code) over the amount
10 of all other charitable contributions allowed
11 under section 170(b)(1) of such Code.

12 (ii) CARRYOVER.—If the aggregate
13 amount of qualified contributions made in
14 the contribution year (within the meaning
15 of section 170(d)(1) of such Code) exceeds
16 the limitation of clause (i), such excess
17 shall be added to the excess described in
18 section 170(b)(1)(G)(ii).

19 (B) CORPORATIONS.—In the case of a cor-
20 poration—

21 (i) LIMITATION.—Any qualified con-
22 tribution shall be allowed as a deduction
23 only to the extent that the aggregate of
24 such contributions does not exceed the ex-
25 cess of the taxpayer's taxable income (as

1 determined under paragraph (2) of section
2 170(b) of such Code) over the amount of
3 all other charitable contributions allowed
4 under such paragraph.

5 (ii) CARRYOVER.—If the aggregate
6 amount of qualified contributions made in
7 the contribution year (within the meaning
8 of section 170(d)(2) of such Code) exceeds
9 the limitation of clause (i), such excess
10 shall be appropriately taken into account
11 under section 170(d)(2) subject to the limi-
12 tations thereof.

13 (3) QUALIFIED CONTRIBUTIONS.—

14 (A) IN GENERAL.—For purposes of this
15 subsection, the term “qualified contribution”
16 means any charitable contribution (as defined
17 in section 170(c) of the Internal Revenue Code
18 of 1986) if—

19 (i) such contribution—

20 (I) is paid, during the period be-
21 ginning on January 1, 2018, and end-
22 ing on the date which is 60 days after
23 the date of the enactment of this Act,
24 in cash to an organization described

1 in section 170(b)(1)(A) of such Code,
2 and

3 (II) is made for relief efforts in
4 one or more qualified disaster areas,

5 (ii) the taxpayer obtains from such or-
6 ganization contemporaneous written ac-
7 knowledgment (within the meaning of sec-
8 tion 170(f)(8) of such Code) that such con-
9 tribution was used (or is to be used) for
10 relief efforts described in clause (i)(II),
11 and

12 (iii) the taxpayer has elected the ap-
13 plication of this subsection with respect to
14 such contribution.

15 (B) EXCEPTION.—Such term shall not in-
16 clude a contribution by a donor if the contribu-
17 tion is—

18 (i) to an organization described in sec-
19 tion 509(a)(3) of the Internal Revenue
20 Code of 1986, or

21 (ii) for the establishment of a new, or
22 maintenance of an existing, donor advised
23 fund (as defined in section 4966(d)(2) of
24 such Code).

1 (C) APPLICATION OF ELECTION TO PART-
2 NERSHIPS AND S CORPORATIONS.—In the case
3 of a partnership or S corporation, the election
4 under subparagraph (A)(iii) shall be made sepa-
5 rately by each partner or shareholder.

6 (b) SPECIAL RULES FOR QUALIFIED DISASTER-RE-
7 LATED PERSONAL CASUALTY LOSSES.—

8 (1) IN GENERAL.—If an individual has a net
9 disaster loss for any taxable year—

10 (A) the amount determined under section
11 165(h)(2)(A)(ii) of the Internal Revenue Code
12 of 1986 shall be equal to the sum of—

13 (i) such net disaster loss, and

14 (ii) so much of the excess referred to
15 in the matter preceding clause (i) of sec-
16 tion 165(h)(2)(A) of such Code (reduced
17 by the amount in clause (i) of this sub-
18 paragraph) as exceeds 10 percent of the
19 adjusted gross income of the individual,

20 (B) section 165(h)(1) of such Code shall
21 be applied by substituting “\$500” for “\$500
22 (\$100 for taxable years beginning after Decem-
23 ber 31, 2009”),

1 (C) the standard deduction determined
2 under section 63(c) of such Code shall be in-
3 creased by the net disaster loss, and

4 (D) section 56(b)(1)(E) of such Code (sec-
5 tion 56(b)(1)(D) of such Code in the case of
6 taxable years ending after December 31, 2018)
7 shall not apply to so much of the standard de-
8 duction as is attributable to the increase under
9 subparagraph (C) of this paragraph.

10 (2) NET DISASTER LOSS.—For purposes of this
11 subsection, the term “net disaster loss” means the
12 excess of qualified disaster-related personal casualty
13 losses over personal casualty gains (as defined in
14 section 165(h)(3)(A) of the Internal Revenue Code
15 of 1986).

16 (3) QUALIFIED DISASTER-RELATED PERSONAL
17 CASUALTY LOSSES.—For purposes of this sub-
18 section, the term “qualified disaster-related personal
19 casualty losses” means losses described in section
20 165(c)(3) of the Internal Revenue Code of 1986
21 which arise in a qualified disaster area on or after
22 the first day of the incident period of the qualified
23 disaster to which such area relates, and which are
24 attributable to such qualified disaster.

1 (c) SPECIAL RULE FOR DETERMINING EARNED IN-
2 COME.—

3 (1) IN GENERAL.—In the case of a qualified in-
4 dividual, if the earned income of the taxpayer for the
5 applicable taxable year is less than the earned in-
6 come of the taxpayer for the preceding taxable year,
7 the credits allowed under sections 24(d) and 32 of
8 the Internal Revenue Code of 1986 may, at the elec-
9 tion of the taxpayer, be determined by sub-
10 stituting—

11 (A) such earned income for the preceding
12 taxable year, for

13 (B) such earned income for the applicable
14 taxable year.

15 (2) QUALIFIED INDIVIDUAL.—For purposes of
16 this subsection, the term “qualified individual”
17 means any individual whose principal place of abode
18 at any time during the incident period of any quali-
19 fied disaster was located—

20 (A) in the qualified disaster zone with re-
21 spect to such qualified disaster, or

22 (B) in the qualified disaster area with re-
23 spect to such qualified disaster (but outside the
24 qualified disaster zone with respect to such
25 qualified disaster) and such individual was dis-

1 placed from such principal place of abode by
2 reason of such qualified disaster.

3 (3) APPLICABLE TAXABLE YEAR.—For pur-
4 poses of this subsection, the term “applicable taxable
5 year” means—

6 (A) in the case of a qualified individual
7 other than an individual described in subpara-
8 graph (B), any taxable year which includes any
9 portion of the incident period of the qualified
10 disaster to which the qualified disaster area re-
11 ferred to in paragraph (2)(A) relates, or

12 (B) in the case of a qualified individual de-
13 scribed in subparagraph (B) of paragraph (2),
14 any taxable year which includes any portion of
15 the period described in such subparagraph.

16 (4) EARNED INCOME.—For purposes of this
17 subsection, the term “earned income” has the mean-
18 ing given such term under section 32(c) of the Inter-
19 nal Revenue Code of 1986.

20 (5) SPECIAL RULES.—

21 (A) APPLICATION TO JOINT RETURNS.—
22 For purposes of paragraph (1), in the case of
23 a joint return for an applicable taxable year—

24 (i) such paragraph shall apply if ei-
25 ther spouse is a qualified individual, and

1 (ii) the earned income of the taxpayer
2 for the preceding taxable year shall be the
3 sum of the earned income of each spouse
4 for such preceding taxable year.

5 (B) UNIFORM APPLICATION OF ELEC-
6 TION.—Any election made under paragraph (1)
7 shall apply with respect to both sections 24(d)
8 and 32 of the Internal Revenue Code of 1986.

9 (C) ERRORS TREATED AS MATHEMATICAL
10 ERROR.—For purposes of section 6213 of the
11 Internal Revenue Code of 1986, an incorrect
12 use on a return of earned income pursuant to
13 paragraph (1) shall be treated as a mathe-
14 matical or clerical error.

15 (D) NO EFFECT ON DETERMINATION OF
16 GROSS INCOME, ETC.—Except as otherwise pro-
17 vided in this subsection, the Internal Revenue
18 Code of 1986 shall be applied without regard to
19 any substitution under paragraph (1).

20 **SEC. 205. AUTOMATIC EXTENSION OF FILING DEADLINES**
21 **IN CASE OF CERTAIN TAXPAYERS AFFECTED**
22 **BY FEDERALLY DECLARED DISASTERS.**

23 (a) IN GENERAL.—Section 7508A is amended by
24 adding at the end the following new subsection:

25 “(d) MANDATORY 60-DAY EXTENSION.—

1 “(1) IN GENERAL.—In the case of any qualified
2 taxpayer, the period—

3 “(A) beginning on the earliest incident
4 date specified in the declaration to which the
5 disaster area referred to in paragraph (2) re-
6 lates, and

7 “(B) ending on the date which is 60 days
8 after the latest incident date so specified,
9 shall be disregarded in the same manner as a period
10 specified under subsection (a).

11 “(2) QUALIFIED TAXPAYER.—For purposes of
12 this subsection, the term ‘qualified taxpayer’
13 means—

14 “(A) any individual whose principal resi-
15 dence (for purposes of section 1033(h)(4)) is lo-
16 cated in a disaster area,

17 “(B) any taxpayer if the taxpayer’s prin-
18 cipal place of business (other than the business
19 of performing services as an employee) is lo-
20 cated in a disaster area,

21 “(C) any individual who is a relief worker
22 affiliated with a recognized government or phil-
23 anthropic organization and who is assisting in
24 a disaster area,

1 “(D) any taxpayer whose records necessary
2 to meet a deadline for an act described in sec-
3 tion 7508(a)(1) are maintained in a disaster
4 area,

5 “(E) any individual visiting a disaster area
6 who was killed or injured as a result of the dis-
7 aster, and

8 “(F) solely with respect to a joint return,
9 any spouse of an individual described in any
10 preceding subparagraph of this paragraph.

11 “(3) DISASTER AREA.—For purposes of this
12 subsection, the term ‘disaster area’ has the meaning
13 given such term under subparagraph (B) of section
14 165(i)(5) with respect to a Federally declared dis-
15 aster (as defined in subparagraph (A) of such sec-
16 tion).

17 “(4) APPLICATION TO RULES REGARDING PEN-
18 SIONS.—In the case of any person described in sub-
19 section (b), a rule similar to the rule of paragraph
20 (1) shall apply for purposes of subsection (b) with
21 respect to—

22 “(A) making contributions to a qualified
23 retirement plan (within the meaning of section
24 4974(c)) under section 219(f)(3), 404(a)(6),
25 404(h)(1)(B), or 404(m)(2),

1 “(B) making distributions under section
2 408(d)(4),

3 “(C) recharacterizing contributions under
4 section 408A(d)(6), and

5 “(D) making a rollover under section
6 402(c), 403(a)(4), 403(b)(8), or 408(d)(3).

7 “(5) COORDINATION WITH PERIODS SPECIFIED
8 BY THE SECRETARY.—Any period described in para-
9 graph (1) with respect to any person (including by
10 reason of the application of paragraph (4)) shall be
11 in addition to (or concurrent with, as the case may
12 be) any period specified under subsection (a) or (b)
13 with respect to such person.”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 this section shall apply to federally declared disasters de-
16 clared after the date of the enactment of this Act.

17 **SEC. 206. MODIFICATION OF THE TAX RATE FOR THE EX-**
18 **CISE TAX ON INVESTMENT INCOME OF PRI-**
19 **VATE FOUNDATIONS.**

20 (a) IN GENERAL.—Section 4940(a) is amended by
21 striking “2 percent” and inserting “1.39 percent”.

22 (b) ELIMINATION OF REDUCED TAX WHERE FOUN-
23 DATION MEETS CERTAIN DISTRIBUTION REQUIRE-
24 MENTS.—Section 4940 is amended by striking subsection
25 (e).

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 the date of the enactment of this Act.

4 **SEC. 207. ADDITIONAL LOW-INCOME HOUSING CREDIT AL-**
5 **LOCATIONS FOR QUALIFIED 2017 AND 2018**
6 **CALIFORNIA DISASTER AREAS.**

7 (a) IN GENERAL.—For purposes of section 42 of the
8 Internal Revenue Code of 1986, the State housing credit
9 ceiling for California for calendar year 2020 shall be in-
10 creased by the lesser of—

11 (1) the aggregate housing credit dollar amount
12 allocated by the State housing credit agencies of
13 California for such calendar year to buildings located
14 in qualified 2017 and 2018 California disaster areas,
15 or

16 (2) 50 percent of the sum of the State housing
17 credit ceilings for California for calendar years 2017
18 and 2018.

19 (b) ALLOCATIONS TREATED AS MADE FIRST FROM
20 ADDITIONAL ALLOCATION FOR PURPOSES OF DETER-
21 MINING CARRYOVER.—For purposes of determining the
22 unused State housing credit ceiling for any calendar year
23 under section 42(h)(3)(C) of the Internal Revenue Code
24 of 1986, any increase in the State housing credit ceiling

1 under subsection (a) shall be treated as an amount de-
2 scribed in clause (ii) of such section.

3 (c) DEFINITIONS.—For purposes of this section—

4 (1) QUALIFIED 2017 AND 2018 CALIFORNIA DIS-
5 ASTER AREAS.—The term “qualified 2017 and 2018
6 California disaster areas” means any area in Cali-
7 fornia which was determined by the President (be-
8 fore January 1, 2019) to warrant individual or indi-
9 vidual and public assistance from the Federal Gov-
10 ernment under the Robert T. Stafford Disaster Re-
11 lief and Emergency Assistance Act by reason of a
12 major disaster the incident period of which begins or
13 ends in calendar year 2017 or 2018. Notwith-
14 standing section 201, for purposes of the preceding
15 sentence, the term “incident period” means the pe-
16 riod specified by the Federal Emergency Manage-
17 ment Agency as the period during which the disaster
18 occurred.

19 (2) OTHER DEFINITIONS.—Terms used in this
20 section which are also used in section 42 of the In-
21 ternal Revenue Code of 1986 shall have the same
22 meaning in this section as in such section 42.

23 **SEC. 208. TREATMENT OF CERTAIN POSSESSIONS.**

24 (a) PAYMENTS TO POSSESSIONS WITH MIRROR
25 CODE TAX SYSTEMS.—The Secretary of the Treasury

1 shall pay to each possession of the United States which
2 has a mirror code tax system amounts equal to the loss
3 (if any) to that possession by reason of the application
4 of the provisions of this title. Such amounts shall be deter-
5 mined by the Secretary of the Treasury based on informa-
6 tion provided by the government of the respective posses-
7 sion.

8 (b) PAYMENTS TO OTHER POSSESSIONS.—The Sec-
9 retary of the Treasury shall pay to each possession of the
10 United States which does not have a mirror code tax sys-
11 tem amounts estimated by the Secretary of the Treasury
12 as being equal to the aggregate benefits (if any) that
13 would have been provided to residents of such possession
14 by reason of the provisions of this title if a mirror code
15 tax system had been in effect in such possession. The pre-
16 ceding sentence shall not apply unless the respective pos-
17 session has a plan, which has been approved by the Sec-
18 retary of the Treasury, under which such possession will
19 promptly distribute such payments to its residents.

20 (c) MIRROR CODE TAX SYSTEM.—For purposes of
21 this section, the term “mirror code tax system” means,
22 with respect to any possession of the United States, the
23 income tax system of such possession if the income tax
24 liability of the residents of such possession under such sys-
25 tem is determined by reference to the income tax laws of

1 the United States as if such possession were the United
2 States.

3 (d) TREATMENT OF PAYMENTS.—For purposes of
4 section 1324 of title 31, United States Code, the payments
5 under this section shall be treated in the same manner
6 as a refund due from a credit provision referred to in sub-
7 section (b)(2) of such section.

8 **TITLE III—OTHER PROVISIONS**

9 **SEC. 301. MODIFICATION OF INCOME FOR PURPOSES OF** 10 **DETERMINING TAX-EXEMPT STATUS OF CER-** 11 **TAIN MUTUAL OR COOPERATIVE TELEPHONE** 12 **OR ELECTRIC COMPANIES.**

13 (a) IN GENERAL.—Section 501(c)(12) is amended by
14 adding at the end the following new subparagraph:

15 “(J) In the case of a mutual or cooperative
16 telephone or electric company described in this
17 paragraph, subparagraph (A) shall be applied
18 without taking into account any income received
19 or accrued from—

20 “(i) any grant, contribution, or assist-
21 ance provided pursuant to the Robert T.
22 Stafford Disaster Relief and Emergency
23 Assistance Act or any similar grant, con-
24 tribution, or assistance by any local, State,
25 or regional governmental entity for the

1 purpose of relief, recovery, or restoration
2 from, or preparation for, a disaster or
3 emergency, or

4 “(ii) any grant or contribution by any
5 governmental entity (other than a con-
6 tribution in aid of construction or any
7 other contribution as a customer or poten-
8 tial customer) the purpose of which is sub-
9 stantially related to providing, construct-
10 ing, restoring, or relocating electric, com-
11 munication, broadband, internet, or other
12 utility facilities or services.”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to taxable years beginning after
15 December 31, 2017.

16 **SEC. 302. REPEAL OF INCREASE IN UNRELATED BUSINESS**
17 **TAXABLE INCOME FOR CERTAIN FRINGE**
18 **BENEFIT EXPENSES.**

19 (a) IN GENERAL.—Section 512(a) is amended by
20 striking paragraph (7).

21 (b) EFFECTIVE DATE.—The amendment made by
22 this section shall take effect as if included in the amend-
23 ments made by section 13703 of Public Law 115–97.

