

***In the Senate of the United States,***

*November 4, 2009.*

*Resolved,* That the bill from the House of Representatives (H.R. 3548) entitled “An Act to amend the Supplemental Appropriations Act, 2008 to provide for the temporary availability of certain additional emergency unemployment compensation, and for other purposes.”, do pass with the following

**AMENDMENT:**

Strike all after the enacting clause and insert the following:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “Worker, Homeowner-*  
3 *ship, and Business Assistance Act of 2009”.*

4 ***SEC. 2. REVISIONS TO SECOND-TIER BENEFITS.***

5 *(a) IN GENERAL.—Section 4002(c) of the Supple-*  
6 *mental Appropriations Act, 2008 (Public Law 110–252; 26*  
7 *U.S.C. 3304 note) is amended—*

8 *(1) in paragraph (1)—*



1       “(d) *THIRD-TIER EMERGENCY UNEMPLOYMENT COM-*  
2 *PENSATION.*—

3               “(1) *IN GENERAL.*—*If, at the time that the*  
4 *amount added to an individual’s account under sub-*  
5 *section (c)(1) (hereinafter ‘second-tier emergency un-*  
6 *employment compensation’)* is exhausted or at any  
7 *time thereafter, such individual’s State is in an ex-*  
8 *tended benefit period (as determined under paragraph*  
9 *(2)), such account shall be further augmented by an*  
10 *amount (hereinafter ‘third-tier emergency unemploy-*  
11 *ment compensation’)* equal to the lesser of—

12                       “(A) 50 percent of the total amount of reg-  
13 *ular compensation (including dependents’ allow-*  
14 *ances) payable to the individual during the indi-*  
15 *vidual’s benefit year under the State law; or*

16                       “(B) 13 times the individual’s average  
17 *weekly benefit amount (as determined under sub-*  
18 *section (b)(2)) for the benefit year.*

19               “(2) *EXTENDED BENEFIT PERIOD.*—*For pur-*  
20 *poses of paragraph (1), a State shall be considered to*  
21 *be in an extended benefit period, as of any given*  
22 *time, if—*

23                       “(A) such a period would then be in effect  
24 *for such State under such Act if section 203(d)*  
25 *of such Act—*

1           “(i) were applied by substituting ‘4’  
2           for ‘5’ each place it appears; and

3           “(ii) did not include the requirement  
4           under paragraph (1)(A) thereof; or

5           “(B) such a period would then be in effect  
6           for such State under such Act if—

7           “(i) section 203(f) of such Act were ap-  
8           plied to such State (regardless of whether  
9           the State by law had provided for such ap-  
10          plication); and

11          “(ii) such section 203(f)—

12                 “(I) were applied by substituting  
13                 ‘6.0’ for ‘6.5’ in paragraph (1)(A)(i)  
14                 thereof; and

15                 “(II) did not include the require-  
16                 ment under paragraph (1)(A)(ii) there-  
17                 of.

18           “(3) *LIMITATION.*—*The account of an individual*  
19           *may be augmented not more than once under this*  
20           *subsection.”.*

21           (b) *CONFORMING AMENDMENT TO NON-AUGMENTATION*  
22           *RULE.*—*Section 4007(b)(2) of the Supplemental Appro-*  
23           *priations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304*  
24           *note) is amended—*

1           (1) *by striking “then section 4002(c)” and in-*  
2           *serting “then subsections (c) and (d) of section 4002”;*  
3           *and*

4           (2) *by striking “paragraph (2) of such section)”*  
5           *and inserting “paragraph (2) of such subsection (c)*  
6           *or (d) (as the case may be))”.*

7           (c) *EFFECTIVE DATE.—The amendments made by this*  
8           *section shall apply as if included in the enactment of the*  
9           *Supplemental Appropriations Act, 2008, except that no*  
10           *amount shall be payable by virtue of such amendments with*  
11           *respect to any week of unemployment commencing before*  
12           *the date of the enactment of this Act.*

13           **SEC. 4. FOURTH-TIER EMERGENCY UNEMPLOYMENT COM-**  
14           **PENSATION.**

15           (a) *IN GENERAL.—Section 4002 of the Supplemental*  
16           *Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C.*  
17           *3304 note), as amended by section 3(a), is amended by add-*  
18           *ing at the end the following new subsection:*

19           “(e) *FOURTH-TIER EMERGENCY UNEMPLOYMENT COM-*  
20           *PENSATION.—*

21           “(1) *IN GENERAL.—If, at the time that the*  
22           *amount added to an individual’s account under sub-*  
23           *section (d)(1) (third-tier emergency unemployment*  
24           *compensation) is exhausted or at any time thereafter,*  
25           *such individual’s State is in an extended benefit pe-*

1        *riod (as determined under paragraph (2)), such ac-*  
2        *count shall be further augmented by an amount (here-*  
3        *inafter ‘fourth-tier emergency unemployment com-*  
4        *ensation’) equal to the lesser of—*

5                *“(A) 24 percent of the total amount of reg-*  
6                *ular compensation (including dependents’ allow-*  
7                *ances) payable to the individual during the indi-*  
8                *vidual’s benefit year under the State law; or*

9                *“(B) 6 times the individual’s average week-*  
10               *ly benefit amount (as determined under sub-*  
11               *section (b)(2)) for the benefit year.*

12               *“(2) EXTENDED BENEFIT PERIOD.—For pur-*  
13               *poses of paragraph (1), a State shall be considered to*  
14               *be in an extended benefit period, as of any given*  
15               *time, if—*

16               *“(A) such a period would then be in effect*  
17               *for such State under such Act if section 203(d)*  
18               *of such Act—*

19                        *“(i) were applied by substituting ‘6’*  
20                        *for ‘5’ each place it appears; and*

21                        *“(ii) did not include the requirement*  
22                        *under paragraph (1)(A) thereof; or*

23               *“(B) such a period would then be in effect*  
24               *for such State under such Act if—*

1                   “(i) section 203(f) of such Act were ap-  
2                   plied to such State (regardless of whether  
3                   the State by law had provided for such ap-  
4                   plication); and

5                   “(ii) such section 203(f)—

6                   “(I) were applied by substituting  
7                   ‘8.5’ for ‘6.5’ in paragraph (1)(A)(i)  
8                   thereof; and

9                   “(II) did not include the require-  
10                  ment under paragraph (1)(A)(ii) there-  
11                  of.

12                  “(3) *LIMITATION.*—The account of an individual  
13                  may be augmented not more than once under this  
14                  subsection.”.

15                  (b) *CONFORMING AMENDMENT TO NON-AUGMENTATION*  
16                  *RULE.*—Section 4007(b)(2) of the Supplemental Appro-  
17                  priations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304  
18                  note), as amended by section 3(b), is amended—

19                  (1) by striking “and (d)” and inserting “, (d),  
20                  and (e) of section 4002”; and

21                  (2) by striking “or (d)” and inserting “, (d), or  
22                  (e) (as the case may be))”.

23                  (c) *EFFECTIVE DATE.*—The amendments made by this  
24                  section shall apply as if included in the enactment of the  
25                  Supplemental Appropriations Act, 2008, except that no

1 *amount shall be payable by virtue of such amendments with*  
2 *respect to any week of unemployment commencing before*  
3 *the date of the enactment of this Act.*

4 **SEC. 5. COORDINATION.**

5 *Section 4002 of the Supplemental Appropriations Act,*  
6 *2008 (Public Law 110–252; 26 U.S.C. 3304 note), as*  
7 *amended by section 4, is amended by adding at the end*  
8 *the following new subsection:*

9 *“(f) COORDINATION RULES.—*

10 *“(1) COORDINATION WITH EXTENDED COMPENSA-*  
11 *TION.—Notwithstanding an election under section*  
12 *4001(e) by a State to provide for the payment of*  
13 *emergency unemployment compensation prior to ex-*  
14 *tended compensation, such State may pay extended*  
15 *compensation to an otherwise eligible individual*  
16 *prior to any emergency unemployment compensation*  
17 *under subsection (c), (d), or (e) (by reason of the*  
18 *amendments made by sections 2, 3, and 4 of the*  
19 *Worker, Homeownership, and Business Assistance Act*  
20 *of 2009), if such individual claimed extended com-*  
21 *penetration for at least 1 week of unemployment after*  
22 *the exhaustion of emergency unemployment compensa-*  
23 *tion under subsection (b) (as such subsection was in*  
24 *effect on the day before the date of the enactment of*  
25 *this subsection).*



1           “(2) *COORDINATION WITH TIERS II, III, AND*  
2           *IV.—If a State determines that implementation of the*  
3           *increased entitlement to second-tier emergency unem-*  
4           *ployment compensation by reason of the amendments*  
5           *made by section 2 of the Worker, Homeownership,*  
6           *and Business Assistance Act of 2009 would unduly*  
7           *delay the prompt payment of emergency unemploy-*  
8           *ment compensation under this title by reason of the*  
9           *amendments made by such Act, such State may elect*  
10           *to pay third-tier emergency unemployment compensa-*  
11           *tion prior to the payment of such increased second-*  
12           *tier emergency unemployment compensation until*  
13           *such time as such State determines that such in-*  
14           *creased second-tier emergency unemployment com-*  
15           *penetration may be paid without such undue delay. If*  
16           *a State makes the election under the preceding sen-*  
17           *tence, then, for purposes of determining whether an*  
18           *account may be augmented for fourth-tier emergency*  
19           *unemployment compensation under subsection (e),*  
20           *such State shall treat the date of exhaustion of such*  
21           *increased second-tier emergency unemployment com-*  
22           *penetration as the date of exhaustion of third-tier emer-*  
23           *gency unemployment compensation, if such date is*  
24           *later than the date of exhaustion of the third-tier*  
25           *emergency unemployment compensation.”.*

1 **SEC. 6. TRANSFER OF FUNDS.**

2 *Section 4004(e)(1) of the Supplemental Appropria-*  
3 *tions Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note)*  
4 *is amended by striking “Act;” and inserting “Act and sec-*  
5 *tions 2, 3, and 4 of the Worker, Homeownership, and Busi-*  
6 *ness Assistance Act of 2009;”.*

7 **SEC. 7. EXPANSION OF MODERNIZATION GRANTS FOR UN-**  
8 **EMPLOYMENT RESULTING FROM COMPEL-**  
9 **LING FAMILY REASON.**

10 *(a) IN GENERAL.—Clause (i) of section 903(f)(3)(B)*  
11 *of the Social Security Act (42 U.S.C. 1103(f)(3)(B)) is*  
12 *amended to read as follows:*

13 *“(i) One or both of the following of-*  
14 *fenses as selected by the State, but in mak-*  
15 *ing such selection, the resulting change in*  
16 *the State law shall not supercede any other*  
17 *provision of law relating to unemployment*  
18 *insurance to the extent that such other pro-*  
19 *vision provides broader access to unemploy-*  
20 *ment benefits for victims of such selected of-*  
21 *fense or offenses:*

22 *“(I) Domestic violence, verified by*  
23 *such reasonable and confidential docu-*  
24 *mentation as the State law may re-*  
25 *quire, which causes the individual rea-*  
26 *sonably to believe that such individ-*

1            *ual’s continued employment would*  
2            *jeopardize the safety of the individual*  
3            *or of any member of the individual’s*  
4            *immediate family (as defined by the*  
5            *Secretary of Labor); and*

6            *“(II) Sexual assault, verified by*  
7            *such reasonable and confidential docu-*  
8            *mentation as the State law may re-*  
9            *quire, which causes the individual rea-*  
10           *sonably to believe that such individ-*  
11           *ual’s continued employment would*  
12           *jeopardize the safety of the individual*  
13           *or of any member of the individual’s*  
14           *immediate family (as defined by the*  
15           *Secretary of Labor).”.*

16           *(b) EFFECTIVE DATE.—The amendment made by this*  
17           *section shall apply with respect to State applications sub-*  
18           *mitted on and after January 1, 2010.*

19           **SEC. 8. TREATMENT OF ADDITIONAL REGULAR COMPENSA-**  
20           **TION.**

21           *The monthly equivalent of any additional compensa-*  
22           *tion paid by reason of section 2002 of the Assistance for*  
23           *Unemployed Workers and Struggling Families Act, as con-*  
24           *tained in Public Law 111–5 (26 U.S.C. 3304 note; 123*  
25           *Stat. 438) shall be disregarded after the date of the enact-*

1 *ment of this Act in considering the amount of income and*  
2 *assets of an individual for purposes of determining such*  
3 *individual’s eligibility for, or amount of, benefits under the*  
4 *Supplemental Nutrition Assistance Program (SNAP).*

5 **SEC. 9. ADDITIONAL EXTENDED UNEMPLOYMENT BENEFITS**  
6 **UNDER THE RAILROAD UNEMPLOYMENT IN-**  
7 **SURANCE ACT.**

8 (a) *BENEFITS.*—Section 2(c)(2)(D) of the Railroad  
9 *Unemployment Insurance Act, as added by section 2006 of*  
10 *the American Recovery and Reinvestment Act of 2009 (Pub-*  
11 *lic Law 111–5), is amended—*

12 (1) *in clause (iii)—*

13 (A) *by striking “June 30, 2009” and insert-*  
14 *ing “June 30, 2010”; and*

15 (B) *by striking “December 31, 2009” and*  
16 *inserting “December 31, 2010”; and*

17 (2) *by adding at the end of clause (iv) the fol-*  
18 *lowing: “In addition to the amount appropriated by*  
19 *the preceding sentence, out of any funds in the Treas-*  
20 *ury not otherwise appropriated, there are appro-*  
21 *propriated \$175,000,000 to cover the cost of additional*  
22 *extended unemployment benefits provided under this*  
23 *subparagraph, to remain available until expended.”.*

24 (b) *ADMINISTRATIVE EXPENSES.*—Section 2006 of di-  
25 *vision B of the American Recovery and Reinvestment Act*

1 of 2009 (Public Law 111–5; 123 Stat. 445) is amended by  
 2 adding at the end of subsection (b) the following: “In addi-  
 3 tion to funds appropriated by the preceding sentence, out  
 4 of any funds in the Treasury not otherwise appropriated,  
 5 there are appropriated to the Railroad Retirement Board  
 6 \$807,000 to cover the administrative expenses associated  
 7 with the payment of additional extended unemployment  
 8 benefits under section 2(c)(2)(D) of the Railroad Unemploy-  
 9 ment Insurance Act, to remain available until expended.”.

10 **SEC. 10. 0.2 PERCENT FUTA SURTAX.**

11 (a) *IN GENERAL.*—Section 3301 of the Internal Rev-  
 12 enue Code of 1986 (relating to rate of tax) is amended—

13 (1) by striking “through 2009” in paragraph (1)  
 14 and inserting “through 2010 and the first 6 months  
 15 of calendar year 2011”,

16 (2) by striking “calendar year 2010” in para-  
 17 graph (2) and inserting “the remainder of calendar  
 18 year 2011”, and

19 (3) by inserting “(or portion of the calendar  
 20 year)” after “during the calendar year”.

21 (b) *EFFECTIVE DATE.*—The amendments made by this  
 22 section shall apply to wages paid after December 31, 2009.

23 **SEC. 11. EXTENSION AND MODIFICATION OF FIRST-TIME**  
 24 **HOMEBUYER TAX CREDIT.**

25 (a) *EXTENSION OF APPLICATION PERIOD.*—

1           (1) *IN GENERAL.*—Subsection (h) of section 36 of  
2     the Internal Revenue Code of 1986 is amended—

3           (A) by striking “December 1, 2009” and in-  
4     serting “May 1, 2010”,

5           (B) by striking “SECTION.—This section”  
6     and inserting “SECTION.—

7     “(1) *IN GENERAL.*—This section”, and

8           (C) by adding at the end the following new  
9     paragraph:

10          “(2) *EXCEPTION IN CASE OF BINDING CON-*  
11     *TRACT.*—In the case of any taxpayer who enters into  
12     a written binding contract before May 1, 2010, to  
13     close on the purchase of a principal residence before  
14     July 1, 2010, paragraph (1) shall be applied by sub-  
15     stituting ‘July 1, 2010’ for ‘May 1, 2010’.”.

16          (2) *WAIVER OF RECAPTURE.*—

17           (A) *IN GENERAL.*—Subparagraph (D) of  
18     section 36(f)(4) of such Code is amended by  
19     striking “, and before December 1, 2009”.

20           (B) *CONFORMING AMENDMENT.*—The head-  
21     ing of such subparagraph (D) is amended by in-  
22     serting “AND 2010” after “2009”.

23          (3) *ELECTION TO TREAT PURCHASE IN PRIOR*  
24     *YEAR.*—Subsection (g) of section 36 of such Code is  
25     amended to read as follows:

1       “(g) *ELECTION TO TREAT PURCHASE IN PRIOR*  
2 *YEAR.*—*In the case of a purchase of a principal residence*  
3 *after December 31, 2008, a taxpayer may elect to treat such*  
4 *purchase as made on December 31 of the calendar year pre-*  
5 *ceding such purchase for purposes of this section (other than*  
6 *subsections (c), (f)(4)(D), and (h)).*”.

7       (b) *SPECIAL RULE FOR LONG-TIME RESIDENTS OF*  
8 *SAME PRINCIPAL RESIDENCE.*—*Subsection (c) of section 36*  
9 *of the Internal Revenue Code of 1986 is amended by adding*  
10 *at the end the following new paragraph:*

11               “(6) *EXCEPTION FOR LONG-TIME RESIDENTS OF*  
12 *SAME PRINCIPAL RESIDENCE.*—*In the case of an indi-*  
13 *vidual (and, if married, such individual’s spouse)*  
14 *who has owned and used the same residence as such*  
15 *individual’s principal residence for any 5-consecutive-*  
16 *year period during the 8-year period ending on the*  
17 *date of the purchase of a subsequent principal resi-*  
18 *dence, such individual shall be treated as a first-time*  
19 *homebuyer for purposes of this section with respect to*  
20 *the purchase of such subsequent residence.*”.

21       (c) *MODIFICATION OF DOLLAR AND INCOME LIMITA-*  
22 *TIONS.*—

23               (1) *DOLLAR LIMITATION.*—*Subsection (b)(1) of*  
24 *section 36 of the Internal Revenue Code of 1986 is*

1        *amended by adding at the end the following new sub-*  
2        *paragraph:*

3                *“(D) SPECIAL RULE FOR LONG-TIME RESI-*  
4                *DENTS OF SAME PRINCIPAL RESIDENCE.—In the*  
5                *case of a taxpayer to whom a credit under sub-*  
6                *section (a) is allowed by reason of subsection*  
7                *(c)(6), subparagraphs (A), (B), and (C) shall be*  
8                *applied by substituting ‘\$6,500’ for ‘\$8,000’ and*  
9                *‘\$3,250’ for ‘\$4,000’.”.*

10              *(2) INCOME LIMITATION.—Subsection*  
11              *(b)(2)(A)(i)(II) of section 36 of such Code is amended*  
12              *by striking “\$75,000 (\$150,000” and inserting*  
13              *“\$125,000 (\$225,000”.*

14              *(d) LIMITATION ON PURCHASE PRICE OF RESI-*  
15              *DENCE.—Subsection (b) of section 36 of the Internal Rev-*  
16              *enue Code of 1986 is amended by adding at the end the*  
17              *following new paragraph:*

18                *“(3) LIMITATION BASED ON PURCHASE PRICE.—*  
19                *No credit shall be allowed under subsection (a) for the*  
20                *purchase of any residence if the purchase price of*  
21                *such residence exceeds \$800,000.”.*

22              *(e) WAIVER OF RECAPTURE OF FIRST-TIME HOME-*  
23              *BUYER CREDIT FOR INDIVIDUALS ON QUALIFIED OFFICIAL*  
24              *EXTENDED DUTY.—Paragraph (4) of section 36(f) of the*



1 *Internal Revenue Code of 1986 is amended by adding at*  
2 *the end the following new subparagraph:*

3                   “(E) *SPECIAL RULE FOR MEMBERS OF THE*  
4                   *ARMED FORCES, ETC.—*

5                   “(i) *IN GENERAL.—In the case of the*  
6                   *disposition of a principal residence by an*  
7                   *individual (or a cessation referred to in*  
8                   *paragraph (2)) after December 31, 2008, in*  
9                   *connection with Government orders received*  
10                   *by such individual, or such individual’s*  
11                   *spouse, for qualified official extended duty*  
12                   *service—*

13                   “(I) *paragraph (2) and subsection*  
14                   *(d)(2) shall not apply to such disposi-*  
15                   *tion (or cessation), and*

16                   “(II) *if such residence was ac-*  
17                   *quired before January 1, 2009, para-*  
18                   *graph (1) shall not apply to the tax-*  
19                   *able year in which such disposition (or*  
20                   *cessation) occurs or any subsequent*  
21                   *taxable year.*

22                   “(ii) *QUALIFIED OFFICIAL EXTENDED*  
23                   *DUTY SERVICE.—For purposes of this sec-*  
24                   *tion, the term ‘qualified official extended*

1           *duty service’ means service on qualified offi-*  
 2           *cial extended duty as—*

3                   “(I) a member of the uniformed  
 4                   services,

5                   “(II) a member of the Foreign  
 6                   Service of the United States, or

7                   “(III) an employee of the intel-  
 8                   ligence community.

9                   “(iii) *DEFINITIONS.*—Any term used  
 10                  in this subparagraph which is also used in  
 11                  paragraph (9) of section 121(d) shall have  
 12                  the same meaning as when used in such  
 13                  paragraph.”.

14           (f) *EXTENSION OF FIRST-TIME HOMEBUYER CREDIT*  
 15 *FOR INDIVIDUALS ON QUALIFIED OFFICIAL EXTENDED*  
 16 *DUTY OUTSIDE THE UNITED STATES.*—

17                   (1) *IN GENERAL.*—Subsection (h) of section 36 of  
 18                   the Internal Revenue Code of 1986, as amended by  
 19                   subsection (a), is amended by adding at the end the  
 20                   following:

21                   “(3) *SPECIAL RULE FOR INDIVIDUALS ON QUALI-*  
 22                   *FIED OFFICIAL EXTENDED DUTY OUTSIDE THE*  
 23                   *UNITED STATES.*—In the case of any individual who  
 24                   serves on qualified official extended duty service (as  
 25                   defined in section 121(d)(9)(C)(i)) outside the United

1       *States for at least 90 days during the period begin-*  
 2       *ning after December 31, 2008, and ending before May*  
 3       *1, 2010, and, if married, such individual's spouse—*

4               “(A) paragraphs (1) and (2) shall each be  
 5               applied by substituting ‘May 1, 2011’ for ‘May  
 6               1, 2010’, and

7               “(B) paragraph (2) shall be applied by sub-  
 8               stituting ‘July 1, 2011’ for ‘July 1, 2010’.”.

9       (g) *DEPENDENTS INELIGIBLE FOR CREDIT.*—Sub-  
 10       *section (d) of section 36 of the Internal Revenue Code of*  
 11       *1986 is amended by striking “or” at the end of paragraph*  
 12       *(1), by striking the period at the end of paragraph (2) and*  
 13       *inserting “, or”, and by adding at the end the following*  
 14       *new paragraph:*

15               “(3) a deduction under section 151 with respect  
 16               to such taxpayer is allowable to another taxpayer for  
 17               such taxable year.”.

18       (h) *IRS MATHEMATICAL ERROR AUTHORITY.*—Para-  
 19       *graph (2) of section 6213(g) of the Internal Revenue Code*  
 20       *of 1986 is amended—*

21               (1) *by striking “and” at the end of subpara-*  
 22               *graph (M),*

23               (2) *by striking the period at the end of subpara-*  
 24               *graph (N) and inserting “, and”, and*

1           (3) *by inserting after subparagraph (N) the fol-*  
2           *lowing new subparagraph:*

3                     “(O) *an omission of any increase required*  
4                     *under section 36(f) with respect to the recapture*  
5                     *of a credit allowed under section 36.*”.

6           (i) *COORDINATION WITH FIRST-TIME HOMEBUYER*  
7           *CREDIT FOR DISTRICT OF COLUMBIA.*—Paragraph (4) of  
8           *section 1400C(e) of the Internal Revenue Code of 1986 is*  
9           *amended by striking “and before December 1, 2009,”.*

10          (j) *EFFECTIVE DATES.*—

11                   (1) *IN GENERAL.*—*The amendments made by*  
12                   *subsections (b), (c), (d), and (g) shall apply to resi-*  
13                   *dences purchased after the date of the enactment of*  
14                   *this Act.*

15                   (2) *EXTENSIONS.*—*The amendments made by*  
16                   *subsections (a), (f), and (i) shall apply to residences*  
17                   *purchased after November 30, 2009.*

18                   (3) *WAIVER OF RECAPTURE.*—*The amendment*  
19                   *made by subsection (e) shall apply to dispositions and*  
20                   *cessations after December 31, 2008.*

21                   (4) *MATHEMATICAL ERROR AUTHORITY.*—*The*  
22                   *amendments made by subsection (h) shall apply to re-*  
23                   *turns for taxable years ending on or after April 9,*  
24                   *2008.*

1 **SEC. 12. PROVISIONS TO ENHANCE THE ADMINISTRATION**  
2 **OF THE FIRST-TIME HOMEBUYER TAX CRED-**  
3 **IT.**

4 (a) *AGE LIMITATION.*—

5 (1) *IN GENERAL.*—Subsection (b) of section 36 of  
6 the Internal Revenue Code of 1986, as amended by  
7 this Act, is amended by adding at the end the fol-  
8 lowing new paragraph:

9 “(4) *AGE LIMITATION.*—No credit shall be al-  
10 lowed under subsection (a) with respect to the pur-  
11 chase of any residence unless the taxpayer has at-  
12 tained age 18 as of the date of such purchase. In the  
13 case of any taxpayer who is married (within the  
14 meaning of section 7703), the taxpayer shall be treat-  
15 ed as meeting the age requirement of the preceding  
16 sentence if the taxpayer or the taxpayer’s spouse  
17 meets such age requirement.”.

18 (2) *CONFORMING AMENDMENT.*—Subsection (g)  
19 of section 36 of such Code, as amended by this Act,  
20 is amended by inserting “(b)(4),” before “(c)”.

21 (b) *DOCUMENTATION REQUIREMENT.*—Subsection (d)  
22 of section 36 of the Internal Revenue Code of 1986, as  
23 amended by this Act, is amended by striking “or” at the  
24 end of paragraph (2), by striking the period at the end of  
25 paragraph (3) and inserting “, or”, and by adding at the  
26 end the following new paragraph:

1           “(4) the taxpayer fails to attach to the return of  
2           tax for such taxable year a properly executed copy of  
3           the settlement statement used to complete such pur-  
4           chase.”.

5           (c) *RESTRICTION ON MARRIED INDIVIDUAL ACQUIRING*  
6 *RESIDENCE FROM FAMILY OF SPOUSE.*—Clause (i) of sec-  
7 *tion 36(c)(3)(A) of the Internal Revenue Code of 1986 is*  
8 *amended by inserting “(or, if married, such individual’s*  
9 *spouse)” after “person acquiring such property”.*

10          (d) *CERTAIN ERRORS WITH RESPECT TO THE FIRST-*  
11 *TIME HOMEBUYER TAX CREDIT TREATED AS MATHE-*  
12 *MATICAL OR CLERICAL ERRORS.*—Paragraph (2) of section  
13 *6213(g) of the Internal Revenue Code of 1986, as amended by*  
14 *this Act, is amended by striking “and” at the end of sub-*  
15 *paragraph (N), by striking the period at the end of subpara-*  
16 *graph (O) and inserting “, and”, and by inserting after*  
17 *subparagraph (O) the following new subparagraph:*

18                           “(P) an entry on a return claiming the  
19                           credit under section 36 if—

20   “(i) the Secretary obtains information  
21   from the person issuing the TIN of the tax-  
22   payer that indicates that the taxpayer does  
23   not meet the age requirement of section  
24   36(b)(4),

1                   “(ii) information provided to the Sec-  
2                   retary by the taxpayer on an income tax re-  
3                   turn for at least one of the 2 preceding tax-  
4                   able years is inconsistent with eligibility for  
5                   such credit, or

6                   “(iii) the taxpayer fails to attach to  
7                   the return the form described in section  
8                   36(d)(4).”.

9                   (e) *EFFECTIVE DATE.*—

10                   (1) *IN GENERAL.*—*Except as otherwise provided*  
11                   *in this subsection, the amendments made by this sec-*  
12                   *tion shall apply to purchases after the date of the en-*  
13                   *actment of this Act.*

14                   (2) *DOCUMENTATION REQUIREMENT.*—*The*  
15                   *amendments made by subsection (b) shall apply to re-*  
16                   *turns for taxable years ending after the date of the en-*  
17                   *actment of this Act.*

18                   (3) *TREATMENT AS MATHEMATICAL AND CLER-*  
19                   *ICAL ERRORS.*—*The amendments made by subsection*  
20                   *(d) shall apply to returns for taxable years ending on*  
21                   *or after April 9, 2008.*

22 **SEC. 13. 5-YEAR CARRYBACK OF OPERATING LOSSES.**

23                   (a) *IN GENERAL.*—*Subparagraph (H) of section*  
24                   *172(b)(1) of the Internal Revenue Code of 1986 is amended*  
25                   *to read as follows:*

1                   “(H) *CARRYBACK FOR 2008 OR 2009 NET OP-*  
2                   *ERATING LOSSES.—*

3                   “(i) *IN GENERAL.—In the case of an*  
4                   *applicable net operating loss with respect to*  
5                   *which the taxpayer has elected the applica-*  
6                   *tion of this subparagraph—*

7                   “(I) *subparagraph (A)(i) shall be*  
8                   *applied by substituting any whole*  
9                   *number elected by the taxpayer which*  
10                  *is more than 2 and less than 6 for ‘2’,*

11                  “(II) *subparagraph (E)(ii) shall*  
12                  *be applied by substituting the whole*  
13                  *number which is one less than the*  
14                  *whole number substituted under sub-*  
15                  *clause (I) for ‘2’, and*

16                  “(III) *subparagraph (F) shall not*  
17                  *apply.*

18                  “(ii) *APPLICABLE NET OPERATING*  
19                  *LOSS.—For purposes of this subparagraph,*  
20                  *the term ‘applicable net operating loss’*  
21                  *means the taxpayer’s net operating loss for*  
22                  *a taxable year ending after December 31,*  
23                  *2007, and beginning before January 1,*  
24                  *2010.*

25                  “(iii) *ELECTION.—*



1           “(I) *IN GENERAL.*—Any election  
2           under this subparagraph may be made  
3           only with respect to 1 taxable year.

4           “(II) *PROCEDURE.*—Any election  
5           under this subparagraph shall be made  
6           in such manner as may be prescribed  
7           by the Secretary, and shall be made by  
8           the due date (including extension of  
9           time) for filing the return for the tax-  
10          payer’s last taxable year beginning in  
11          2009. Any such election, once made,  
12          shall be irrevocable.

13          “(iv) *LIMITATION ON AMOUNT OF LOSS*  
14          *CARRYBACK TO 5TH PRECEDING TAXABLE*  
15          *YEAR.*—

16                 “(I) *IN GENERAL.*—The amount of  
17                 any net operating loss which may be  
18                 carried back to the 5th taxable year  
19                 preceding the taxable year of such loss  
20                 under clause (i) shall not exceed 50  
21                 percent of the taxpayer’s taxable in-  
22                 come (computed without regard to the  
23                 net operating loss for the loss year or  
24                 any taxable year thereafter) for such  
25                 preceding taxable year.

1                   “(II)       CARRYBACKS       AND  
2                   CARRYOVERS   TO   OTHER   TAXABLE  
3                   YEARS.—Appropriate adjustments in  
4                   the application of the second sentence  
5                   of paragraph (2) shall be made to take  
6                   into account the limitation of subclause  
7                   (I).

8                   “(III) EXCEPTION FOR 2008 ELEC-  
9                   TIONS BY SMALL BUSINESSES.—Sub-  
10                  clause (I) shall not apply to any loss  
11                  of an eligible small business with re-  
12                  spect to any election made under this  
13                  subparagraph as in effect on the day  
14                  before the date of the enactment of the  
15                  Worker, Homeownership, and Business  
16                  Assistance Act of 2009.

17                  “(v) SPECIAL RULES FOR SMALL BUSI-  
18                  NESS.—

19                  “(I) IN GENERAL.—In the case of  
20                  an eligible small business which made  
21                  or makes an election under this sub-  
22                  paragraph as in effect on the day be-  
23                  fore the date of the enactment of the  
24                  Worker, Homeownership, and Business  
25                  Assistance Act of 2009, clause (iii)(I)

1 shall be applied by substituting ‘2 tax-  
2 able years’ for ‘1 taxable year’.

3 “(II) *ELIGIBLE SMALL BUSI-*  
4 *NESS.*—For purposes of this subpara-  
5 graph, the term ‘eligible small business’  
6 has the meaning given such term by  
7 subparagraph (F)(iii), except that in  
8 applying such subparagraph, section  
9 448(c) shall be applied by substituting  
10 ‘\$15,000,000’ for ‘\$5,000,000’ each  
11 place it appears.”.

12 (b) *ALTERNATIVE TAX NET OPERATING LOSS DEDUC-*  
13 *TION.*—Subclause (I) of section 56(d)(1)(A)(ii) of the *Inter-*  
14 *nal Revenue Code of 1986* is amended to read as follows:

15 “(I) the amount of such deduction  
16 attributable to an applicable net oper-  
17 ating loss with respect to which an  
18 election is made under section  
19 172(b)(1)(H), or”.

20 (c) *LOSS FROM OPERATIONS OF LIFE INSURANCE*  
21 *COMPANIES.*—Subsection (b) of section 810 of the *Internal*  
22 *Revenue Code of 1986* is amended by adding at the end  
23 the following new paragraph:

24 “(4) *CARRYBACK FOR 2008 OR 2009 LOSSES.*—

1           “(A) *IN GENERAL.*—*In the case of an appli-*  
2           *cable loss from operations with respect to which*  
3           *the taxpayer has elected the application of this*  
4           *paragraph, paragraph (1)(A) shall be applied by*  
5           *substituting any whole number elected by the*  
6           *taxpayer which is more than 3 and less than 6*  
7           *for ‘3’.*

8           “(B) *APPLICABLE LOSS FROM OPER-*  
9           *ATIONS.*—*For purposes of this paragraph, the*  
10           *term ‘applicable loss from operations’ means the*  
11           *taxpayer’s loss from operations for a taxable*  
12           *year ending after December 31, 2007, and begin-*  
13           *ning before January 1, 2010.*

14           “(C) *ELECTION.*—

15           “(i) *IN GENERAL.*—*Any election under*  
16           *this paragraph may be made only with re-*  
17           *spect to 1 taxable year.*

18           “(ii) *PROCEDURE.*—*Any election*  
19           *under this paragraph shall be made in such*  
20           *manner as may be prescribed by the Sec-*  
21           *retary, and shall be made by the due date*  
22           *(including extension of time) for filing the*  
23           *return for the taxpayer’s last taxable year*  
24           *beginning in 2009. Any such election, once*  
25           *made, shall be irrevocable.*

1           “(D) *LIMITATION ON AMOUNT OF LOSS*  
2           *CARRYBACK TO 5TH PRECEDING TAXABLE*  
3           *YEAR.—*

4                   “(i) *IN GENERAL.—The amount of any*  
5                   *loss from operations which may be carried*  
6                   *back to the 5th taxable year preceding the*  
7                   *taxable year of such loss under subpara-*  
8                   *graph (A) shall not exceed 50 percent of the*  
9                   *taxpayer’s taxable income (computed with-*  
10                   *out regard to the loss from operations for*  
11                   *the loss year or any taxable year thereafter)*  
12                   *for such preceding taxable year.*

13                   “(ii) *CARRYBACKS AND CARRYOVERS*  
14                   *TO OTHER TAXABLE YEARS.—Appropriate*  
15                   *adjustments in the application of the second*  
16                   *sentence of paragraph (2) shall be made to*  
17                   *take into account the limitation of clause*  
18                   *(i).”.*

19           (d) *ANTI-ABUSE RULES.—The Secretary of Treasury*  
20           *or the Secretary’s designee shall prescribe such rules as are*  
21           *necessary to prevent the abuse of the purposes of the amend-*  
22           *ments made by this section, including anti-stuffing rules,*  
23           *anti-churning rules (including rules relating to sale-lease-*  
24           *backs), and rules similar to the rules under section 1091*

1 *of the Internal Revenue Code of 1986 relating to losses from*  
2 *wash sales.*

3 *(e) EFFECTIVE DATES.—*

4 *(1) IN GENERAL.—Except as otherwise provided*  
5 *in this subsection, the amendments made by this sec-*  
6 *tion shall apply to net operating losses arising in tax-*  
7 *able years ending after December 31, 2007.*

8 *(2) ALTERNATIVE TAX NET OPERATING LOSS DE-*  
9 *DUCTION.—The amendment made by subsection (b)*  
10 *shall apply to taxable years ending after December*  
11 *31, 2002.*

12 *(3) LOSS FROM OPERATIONS OF LIFE INSURANCE*  
13 *COMPANIES.—The amendment made by subsection (d)*  
14 *shall apply to losses from operations arising in tax-*  
15 *able years ending after December 31, 2007.*

16 *(4) TRANSITIONAL RULE.—In the case of any net*  
17 *operating loss (or, in the case of a life insurance com-*  
18 *pany, any loss from operations) for a taxable year*  
19 *ending before the date of the enactment of this Act—*

20 *(A) any election made under section*  
21 *172(b)(3) or 810(b)(3) of the Internal Revenue*  
22 *Code of 1986 with respect to such loss may (not-*  
23 *withstanding such section) be revoked before the*  
24 *due date (including extension of time) for filing*

1           *the return for the taxpayer's last taxable year be-*  
2           *ginning in 2009, and*

3                   *(B) any application under section 6411(a)*  
4           *of such Code with respect to such loss shall be*  
5           *treated as timely filed if filed before such due*  
6           *date.*

7           *(f) EXCEPTION FOR TARP RECIPIENTS.—The amend-*  
8           *ments made by this section shall not apply to—*

9                   *(1) any taxpayer if—*

10                          *(A) the Federal Government acquired before*  
11           *the date of the enactment of this Act an equity*  
12           *interest in the taxpayer pursuant to the Emer-*  
13           *gency Economic Stabilization Act of 2008,*

14                          *(B) the Federal Government acquired before*  
15           *such date of enactment any warrant (or other*  
16           *right) to acquire any equity interest with respect*  
17           *to the taxpayer pursuant to the Emergency Eco-*  
18           *nomics Stabilization Act of 2008, or*

19                          *(C) such taxpayer receives after such date of*  
20           *enactment funds from the Federal Government in*  
21           *exchange for an interest described in subpara-*  
22           *graph (A) or (B) pursuant to a program estab-*  
23           *lished under title I of division A of the Emer-*  
24           *gency Economic Stabilization Act of 2008 (un-*  
25           *less such taxpayer is a financial institution (as*

1           *defined in section 3 of such Act) and the funds*  
2           *are received pursuant to a program established*  
3           *by the Secretary of the Treasury for the stated*  
4           *purpose of increasing the availability of credit to*  
5           *small businesses using funding made available*  
6           *under such Act), or*

7           (2) *the Federal National Mortgage Association*  
8           *and the Federal Home Loan Mortgage Corporation,*  
9           *and*

10           (3) *any taxpayer which at any time in 2008 or*  
11           *2009 was or is a member of the same affiliated group*  
12           *(as defined in section 1504 of the Internal Revenue*  
13           *Code of 1986, determined without regard to subsection*  
14           *(b) thereof) as a taxpayer described in paragraph (1)*  
15           *or (2).*

16 **SEC. 14. EXCLUSION FROM GROSS INCOME OF QUALIFIED**  
17                           **MILITARY BASE REALIGNMENT AND CLOSURE**  
18                           **FRINGE.**

19           (a) *IN GENERAL.*—*Subsection (n) of section 132 of the*  
20           *Internal Revenue Code of 1986 is amended—*

21                   (1) *in subparagraph (1) by striking “this sub-*  
22                   *section) to offset the adverse effects on housing values*  
23                   *as a result of a military base realignment or closure”*  
24                   *and inserting “the American Recovery and Reinvest-*  
25                   *ment Tax Act of 2009)”, and*



1           (2) in subparagraph (2) by striking “clause (1)  
2       of”.

3           (b) *EFFECTIVE DATE.*—*The amendments made by this*  
4 *act shall apply to payments made after February 17, 2009.*

5 **SEC. 15. DELAY IN APPLICATION OF WORLDWIDE ALLOCA-**  
6 **TION OF INTEREST.**

7           (a) *IN GENERAL.*—*Paragraphs (5)(D) and (6) of sec-*  
8 *tion 864(f) of the Internal Revenue Code of 1986 are each*  
9 *amended by striking “December 31, 2010” and inserting*  
10 *“December 31, 2017”.*

11          (b) *CONFORMING AMENDMENT.*—*Section 864(f) of the*  
12 *Internal Revenue Code of 1986 is amended by striking*  
13 *paragraph (7).*

14          (c) *EFFECTIVE DATES.*—*The amendments made by*  
15 *this section shall apply to taxable years beginning after De-*  
16 *cember 31, 2010.*

17 **SEC. 16. INCREASE IN PENALTY FOR FAILURE TO FILE A**  
18 **PARTNERSHIP OR S CORPORATION RETURN.**

19          (a) *IN GENERAL.*—*Sections 6698(b)(1) and 6699(b)(1)*  
20 *of the Internal Revenue Code of 1986 are each amended by*  
21 *striking “\$89” and inserting “\$195”.*

22          (b) *EFFECTIVE DATE.*—*The amendments made by this*  
23 *section shall apply to returns for taxable years beginning*  
24 *after December 31, 2009.*

1 **SEC. 17. CERTAIN TAX RETURN PREPARERS REQUIRED TO**  
2 **FILE RETURNS ELECTRONICALLY.**

3 (a) *IN GENERAL.*—Subsection (e) of section 6011 of  
4 the Internal Revenue Code of 1986 is amended by adding  
5 at the end the following new paragraph:

6 “(3) *SPECIAL RULE FOR TAX RETURN PRE-*  
7 *PARERS.*—

8 “(A) *IN GENERAL.*—The Secretary shall re-  
9 quire that any individual income tax return  
10 prepared by a tax return preparer be filed on  
11 magnetic media if—

12 “(i) such return is filed by such tax re-  
13 turn preparer, and

14 “(ii) such tax return preparer is a  
15 specified tax return preparer for the cal-  
16 endar year during which such return is  
17 filed.

18 “(B) *SPECIFIED TAX RETURN PREPARER.*—  
19 For purposes of this paragraph, the term ‘speci-  
20 fied tax return preparer’ means, with respect to  
21 any calendar year, any tax return preparer un-  
22 less such preparer reasonably expects to file 10 or  
23 fewer individual income tax returns during such  
24 calendar year.

25 “(C) *INDIVIDUAL INCOME TAX RETURN.*—  
26 For purposes of this paragraph, the term ‘indi-

1           *vidual income tax return’ means any return of*  
2           *the tax imposed by subtitle A on individuals, es-*  
3           *tates, or trusts.’’.*

4           **(b) CONFORMING AMENDMENT.**—*Paragraph (1) of sec-*  
5           *tion 6011(e) of the Internal Revenue Code of 1986 is amend-*  
6           *ed by striking “The Secretary may not” and inserting “Ex-*  
7           *cept as provided in paragraph (3), the Secretary may not”.*

8           **(c) EFFECTIVE DATE.**—*The amendments made by this*  
9           *section shall apply to returns filed after December 31, 2010.*

10   **SEC. 18. TIME FOR PAYMENT OF CORPORATE ESTIMATED**  
11                           **TAXES.**

12           *The percentage under paragraph (1) of section 202(b)*  
13           *of the Corporate Estimated Tax Shift Act of 2009 in effect*  
14           *on the date of the enactment of this Act is increased by*  
15           *33.0 percentage points.*

Attest:

*Secretary.*

11<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H.R. 3548**

---

**AMENDMENT**