

118TH CONGRESS  
1ST SESSION

# H. R. 3510

To exempt grants received under the Coronavirus Economic Relief for  
Transportation Services (CERTS) Act from Federal taxation.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 18, 2023

Mr. LAHOOD (for himself, Mr. PANETTA, Mr. ROSE, Mr. GOLDEN of Maine,  
Mr. KELLY of Pennsylvania, and Mr. BLUMENAUER) introduced the fol-  
lowing bill; which was referred to the Committee on Ways and Means

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## A BILL

To exempt grants received under the Coronavirus Economic  
Relief for Transportation Services (CERTS) Act from  
Federal taxation.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “CERTS Tax Exemp-  
5 tion Act”.

6 **SEC. 2. EXEMPTION OF GRANTS FROM TAXATION.**

7 (a) IN GENERAL.—Section 421 of the Coronavirus  
8 Economic Relief for Transportation Services Act (15

1 U.S.C. 9111) is amended by adding at the end the fol-  
2 lowing new subsection:

3 “(g) TAX TREATMENT.—For purposes of the Inter-  
4 nal Revenue Code of 1986—

5 “(1) no amount shall be included in the gross  
6 income of the eligible provider of transportation  
7 services by reason of a grant under this section,

8 “(2) no deduction shall be denied, no tax at-  
9 tribute shall be reduced, and no basis increase shall  
10 be denied, by reason of the exclusion from gross in-  
11 come provided by paragraph (1), and

12 “(3) in the case of an eligible provider of trans-  
13 portation services which is a partnership or S cor-  
14 poration—

15 “(A) any amount excluded from income by  
16 reason of paragraph (1) shall be treated as tax  
17 exempt income for purposes of sections 705 and  
18 1366 of such Code, and

19 “(B) except as provided by the Secretary  
20 of the Treasury (or the Secretary’s delegate),  
21 any increase in the adjusted basis of a partner’s  
22 interest in a partnership under section 705 of  
23 such Code with respect to any amount described  
24 in subparagraph (A) shall equal the partner’s  
25 distributive share of deductions resulting from

1 costs described in subsection (d) which are paid  
2 using a grant under this section.”.

3 (b) **EFFECTIVE DATE.**—The amendment made by  
4 this section shall apply to taxable years ending after the  
5 date of the enactment of the Coronavirus Economic Relief  
6 for Transportation Services Act.

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