

PROVIDING FOR CONSIDERATION OF THE SENATE AMENDMENT TO THE BILL (H.R. 1158) TO AUTHORIZE CYBER INCIDENT RESPONSE TEAMS AT THE DEPARTMENT OF HOMELAND SECURITY, AND FOR OTHER PURPOSES; PROVIDING FOR CONSIDERATION OF THE SENATE AMENDMENT TO THE BILL (H.R. 1865) TO REQUIRE THE SECRETARY OF THE TREASURY TO MINT A COIN IN COMMEMORATION OF THE OPENING OF THE NATIONAL LAW ENFORCEMENT MUSEUM IN THE DISTRICT OF COLUMBIA, AND FOR OTHER PURPOSES; AND PROVIDING FOR THE ADOPTION OF THE RESOLUTION (H. RES. 761) PERMITTING INDIVIDUALS TO BE ADMITTED TO THE HALL OF THE HOUSE IN ORDER TO OBTAIN FOOTAGE OF THE HOUSE IN SESSION FOR INCLUSION IN THE ORIENTATION FILM TO BE SHOWN TO VISITORS AT THE CAPITOL VISITOR CENTER

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DECEMBER 17 (legislative day, DECEMBER 16), 2019.—Referred to the House Calendar and ordered to be printed

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Mr. MORELLE, from the Committee on Rules,  
submitted the following

## R E P O R T

[To accompany H. Res. 765]

The Committee on Rules, having had under consideration House Resolution 765, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

### SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for the consideration of the Senate amendment to H.R. 1158, the DHS Cyber Hunt and Incident Response Teams Act of 2019. The resolution makes in order a motion offered by the chair of the Committee on Appropriations or her designee that the House concur in the Senate amendment with an amendment consisting of the text of Rules Committee Print 116-43. The resolution waives all points of order against consideration of the motion. The resolution provides that the Senate amendment and the motion shall be considered as read. The resolution provides one hour of debate on the motion equally divided and controlled by the chair and ranking minority member of the Committee on Appropriations. The resolution also provides for the consideration of the Senate amendment to H.R. 1865, the National Law Enforcement Museum Commemorative Coin Act. The resolution makes in order a motion offered by the chair of the Committee on Appropriations or her designee that the House concur in the Senate amend-

ment with an amendment consisting of the text of Rules Committee Print 116–44, modified by the amendment printed in this report. The resolution waives all points of order against consideration of the motion and provides that it shall not be subject to a demand for division of the question. The resolution provides that the Senate amendment and the motion shall be considered as read. The resolution provides one hour of debate on the motion equally divided and controlled by the chair and ranking minority member of the Committee on Appropriations. The resolution provides that the chair of the Committee on Appropriations may insert in the Congressional Record not later than December 17, 2019, such material as she may deem explanatory of the Senate amendments and the motion specified in the first two sections of the resolution. The resolution provides that House Resolution 761 is hereby adopted.

#### EXPLANATION OF WAIVERS

The waiver of all points of order against consideration of the motion to concur in the Senate amendment to H.R. 1158 includes waivers of the following:

- Clause 7 of rule XVI, which requires that no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.
- Clause 4 of rule XXI, which prohibits reporting a bill carrying an appropriation from a committee not having jurisdiction to report an appropriation.
- Section 302(f) of the Congressional Budget Act, which prohibits consideration of legislation providing new budget authority in excess of a 302(a) or 302(b) allocation of such authority.
- Section 306 of the Congressional Budget Act, which prohibits consideration of legislation within the jurisdiction of the Committee on the Budget unless referred to or reported by the Budget Committee.
- Section 2 of H. Res. 293, which prohibits appropriations bills from providing an advance appropriation.

The waiver of all points of order against consideration of the motion to concur in the Senate amendment to H.R. 1865 includes waivers of the following:

- Clause 7 of rule XVI, which requires that no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.
- Clause 10 of rule XXI, which prohibits consideration of a measure that has a net effect of increasing the deficit or reducing the surplus over the five- or 10-year period.
- Section 302(f) of the Congressional Budget Act, which prohibits consideration of legislation providing new budget authority in excess of a 302(a) or 302(b) allocation of such authority.
- Section 306 of the Congressional Budget Act, which prohibits consideration of legislation within the jurisdiction of the Committee on the Budget unless referred to or reported by the Budget Committee.
- Section 311 of the Congressional Budget Act, which prohibits consideration of legislation that would cause the level of total new budget authority for the first fiscal year to be exceeded, or would cause revenues to be less than the level of total revenues for the first fiscal year or for the total of that first fiscal year and the en-

suing fiscal years for which allocations are provided, except when a declaration of war by the Congress is in effect.

SUMMARY OF THE AMENDMENT TO SENATE AMENDMENT TO H.R. 1865  
CONSIDERED AS ADOPTED

1. Lowey (NY): Extends certain expiring provisions in the tax code through 2020. It also extends the short line railroads and biodiesel tax credits through 2022. It also allows for fair treatment of non-profit employee parking benefits and rural electric co-ops. Finally, it provides tax relief for families and businesses facing hardship due to nationally declared disasters.

TEXT OF AMENDMENT TO SENATE AMENDMENT TO H.R. 1865  
CONSIDERED AS ADOPTED

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

DIVISION Q—REVENUE PROVISIONS

Add at the end the following:

## DIVISION Q—REVENUE PROVISIONS

### SECTION 1. SHORT TITLE; ETC.

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

(b) TABLE OF CONTENTS.—The table of contents for 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.

(c) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

## 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.**

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

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

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

**SEC. 102. TREATMENT OF MORTGAGE INSURANCE PREMIUMS AS QUALIFIED RESIDENCE INTEREST.**

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

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

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

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

“(f) TEMPORARY SPECIAL RULE.—In the case of taxable years beginning before January 1, 2021, subsection (a) shall be applied with respect to a taxpayer by substituting ‘7.5 percent’ for ‘10 percent’.”.

(b) ALTERNATIVE MINIMUM TAX.—Section 56(b)(1) is amended by striking subparagraph (B) and by redesignating subparagraphs (C), (D), (E), and (F), as subparagraphs (B), (C), (D), and (E), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 2018.

**SEC. 104. DEDUCTION OF QUALIFIED TUITION AND RELATED EXPENSES.**

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

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

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

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

(b) EFFECTIVE DATE.—The amendment made by this section shall apply on and after the first day of the first calendar month beginning after the date of the enactment of this Act.

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

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

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

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

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

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

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

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

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

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

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

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

(a) IN GENERAL.—Section 168(e)(3)(A)(i) is amended—

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

(2) by striking “December 31, 2017” in subclause (II) and inserting “December 31, 2020”.

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

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

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

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

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

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

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

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

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

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

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

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

(b) TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.—In the case of a designation of an empowerment zone the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A)(i) of section 1391(d)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation if, after the date of the enactment of this section, the entity which made such nomination amends the nomination to provide for a new termination date in such manner as the Secretary of the Treasury (or the Secretary’s designee) may provide.

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

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

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

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

(2) by striking “first 12 taxable years” in paragraph (1) and inserting “first 15 taxable years”,

(3) by striking “first 6 taxable years” in paragraph (2) and inserting “first 9 taxable years”, and

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

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

(b) CONFORMING AMENDMENT.—Section 119(e) of division A of the Tax Relief and Health Care Act of 2006 is amended by inserting “(as in effect before its repeal)” after “section 199 of the Internal Revenue Code of 1986”.

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

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

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

(a) INCOME TAX CREDIT.—

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

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

(b) EXCISE TAX INCENTIVES.—

(1) TERMINATION.—

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

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

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

(3) SPECIAL RULE.—Notwithstanding any other provision of law, in the case of any biodiesel mixture credit properly determined under section 6426(c) of the Internal Revenue Code of 1986 for the period beginning on January 1, 2018, and ending with the close of the last calendar quarter beginning before the date of the enactment of this Act, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary’s delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods described in the preceding sentence. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued.

Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

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

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

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

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

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

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

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

(2) by striking “an energy factor” in subparagraph (D) and inserting “a Uniform Energy Factor”.

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

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

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

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property purchased after December 31, 2017.

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

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

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

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

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

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to vehicles acquired after December 31, 2017.

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

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

- (1) Paragraph (2)(A).
- (2) Paragraph (3)(A).
- (3) Paragraph (4)(B).
- (4) Paragraph (6).
- (5) Paragraph (7).
- (6) Paragraph (9).
- (7) Paragraph (11)(B).

(b) **EXTENSION OF ELECTION TO TREAT QUALIFIED FACILITIES AS ENERGY PROPERTY.**—Section 48(a)(5)(C)(ii) is amended by striking “January 1, 2018 (January 1, 2020, in the case of any facility which



is described in paragraph (1) of section 45(d)” and inserting “January 1, 2021”.

(c) APPLICATION OF EXTENSION TO WIND FACILITIES.—

(1) IN GENERAL.—Section 45(d)(1) is amended by striking “January 1, 2020” and inserting “January 1, 2021”.

(2) APPLICATION OF PHASEOUT PERCENTAGE.—

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

“(D) in the case of any facility the construction of which begins after December 31, 2019, and before January 1, 2021, 40 percent.”.

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

“(iv) in the case of any facility the construction of which begins after December 31, 2019, and before January 1, 2021, 40 percent.”.

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

**SEC. 128. PRODUCTION CREDIT FOR INDIAN COAL FACILITIES.**

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

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

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

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

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

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

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

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

**SEC. 131. ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.**

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

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

**SEC. 132. SPECIAL RULE FOR SALES OR DISPOSITIONS TO IMPLEMENT FERC OR STATE ELECTRIC RESTRUCTURING POLICY FOR QUALIFIED ELECTRIC UTILITIES.**

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

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

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

(a) **EXTENSION.**—

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

(2) **OUTLAY PAYMENTS FOR ALTERNATIVE FUELS.**—Section 6427(e)(6)(C) is amended by striking “December 31, 2017” and inserting “December 31, 2020”.

(3) **SPECIAL RULE.**—Notwithstanding any other provision of law, in the case of any alternative fuel credit properly determined under section 6426(d) of the Internal Revenue Code of 1986 for the period beginning on January 1, 2018, and ending with the close of the last calendar quarter beginning before the date of the enactment of this Act, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary’s delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods described in the preceding sentence. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

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

(b) **CLARIFICATION OF RULES REGARDING ALTERNATIVE FUEL MIXTURE CREDIT.**—

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

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

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

(B) fuel sold or used before such date of enactment, but only to the extent that claims for the credit under section 6426(e) of the Internal Revenue Code of 1986 with respect to such sale or use—

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

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

(3) **NO INFERENCE.**—Nothing contained in this subsection or the amendments made by this subsection shall be construed to create any inference as to a change in law or guidance in effect prior to enactment of this subsection.

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

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

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply on and after the first day of the first calendar month beginning after the date of the enactment of this Act.

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

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

(a) **IN GENERAL.**—Section 45D(f)(1) is amended by striking “and” at the end of subparagraph (F), by striking the period at the end of subparagraph (G) and inserting “, and”, and by adding at the end the following new subparagraph:

“(H) \$5,000,000,000 for 2020.”.

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

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

**SEC. 142. EMPLOYER CREDIT FOR PAID FAMILY AND MEDICAL LEAVE.**

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

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to wages paid in taxable years beginning after December 31, 2019.

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

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

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

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

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

(1) **IN GENERAL.**—Section 263A(f)(4)(B) is amended by striking “December 31, 2019” and inserting “December 31, 2020”.

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

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

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

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

(c) **TRANSFER OF BEER BETWEEN BONDED FACILITIES.**—

(1) **IN GENERAL.**—Section 5414(b)(3) is amended by striking “December 31, 2019” and inserting “December 31, 2020”.

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

- (d) REDUCED RATE OF EXCISE TAX ON CERTAIN WINE.—
- (1) IN GENERAL.—Section 5041(c)(8)(A) is amended by striking “January 1, 2020” and inserting “January 1, 2021”.
- (2) CONFORMING AMENDMENT.—The heading of section 5041(c)(8) is amended by striking “SPECIAL RULE FOR 2018 AND 2019” and inserting “TEMPORARY SPECIAL RULE”.
- (3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to wine removed after December 31, 2019.
- (e) ADJUSTMENT OF ALCOHOL CONTENT LEVEL FOR APPLICATION OF EXCISE TAXES.—
- (1) IN GENERAL.—Paragraphs (1) and (2) of section 5041(b) are each amended by striking “January 1, 2020” and inserting “January 1, 2021”.
- (2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to wine removed after December 31, 2019.
- (f) DEFINITION OF MEAD AND LOW ALCOHOL BY VOLUME WINE.—
- (1) IN GENERAL.—Section 5041(h)(3) is amended by striking “December 31, 2019” and inserting “December 31, 2020”.
- (2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to wine removed after December 31, 2019.
- (g) REDUCED RATE OF EXCISE TAX ON CERTAIN DISTILLED SPIRITS.—
- (1) IN GENERAL.—Section 5001(c)(4) is amended by striking “December 31, 2019” and inserting “December 31, 2020”.
- (2) CONFORMING AMENDMENT.—The heading of section 5001(c) is amended by striking “REDUCED RATE FOR 2018 AND 2019” and inserting “TEMPORARY REDUCED RATE”.
- (3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to distilled spirits removed after December 31, 2019.
- (h) BULK DISTILLED SPIRITS.—
- (1) IN GENERAL.—Section 5212 is amended by striking “January 1, 2020” and inserting “January 1, 2021”.
- (2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to distilled spirits transferred in bond after December 31, 2019.
- (i) SIMPLIFICATION OF RULES REGARDING RECORDS, STATEMENTS, AND RETURNS.—
- (1) IN GENERAL.—Section 5555(a) is amended by striking “January 1, 2020” and inserting “January 1, 2021”.
- (2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to calendar quarters beginning after December 31, 2019.
- (j) TECHNICAL CORRECTION.—
- (1) IN GENERAL.—Section 5041(c)(8) is amended by adding at the end the following new subparagraph:
- “(C) APPLICATION OF CERTAIN RULES.—Paragraphs (3) and (6) shall be applied by substituting ‘paragraph (1) or (8)’ for ‘paragraph (1)’ each place it appears therein.”
- (2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in section 13804 of Public Law 115-97.

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

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

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2019, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

**SEC. 146. CREDIT FOR HEALTH INSURANCE COSTS OF ELIGIBLE INDIVIDUALS.**

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

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to months beginning after December 31, 2019.

**TITLE II—DISASTER TAX RELIEF****SEC. 201. DEFINITIONS.**

For purposes of this title—

**(1) QUALIFIED DISASTER AREA.—**

(A) **IN GENERAL.**—The term “qualified disaster area” means any area with respect to which a major disaster was declared, during the period beginning on January 1, 2018, and ending on the date which is 60 days after the date of the enactment of this Act, by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act if the incident period of the disaster with respect to which such declaration is made begins on or before the date of the enactment of this Act.

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

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

(3) **QUALIFIED DISASTER.**—The term “qualified disaster” means, with respect to any qualified disaster area, the disaster by reason of which a major disaster was declared with respect to such area.

(4) **INCIDENT PERIOD.**—The term “incident period” means, with respect to any qualified disaster, the period specified by the Federal Emergency Management Agency as the period during which such disaster occurred (except that for purposes of this title such period shall not be treated as beginning before January 1, 2018, or ending after the date which is 30 days after the date of the enactment of this Act).

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

(a) **TAX-FAVORED WITHDRAWALS FROM RETIREMENT PLANS.—**

(1) **IN GENERAL.—**Section 72(t) of the Internal Revenue Code of 1986 shall not apply to any qualified disaster distribution.

(2) **AGGREGATE DOLLAR LIMITATION.—**

(A) **IN GENERAL.—**For purposes of this subsection, the aggregate amount of distributions received by an individual which may be treated as qualified disaster distributions for any taxable year shall not exceed the excess (if any) of—

(i) \$100,000, over

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

(B) **TREATMENT OF PLAN DISTRIBUTIONS.—**If a distribution to an individual would (without regard to subparagraph (A)) be a qualified disaster distribution, a plan shall not be treated as violating any requirement of the Internal Revenue Code of 1986 merely because the plan treats such distribution as a qualified disaster distribution, unless the aggregate amount of such distributions from all plans maintained by the employer (and any member of any controlled group which includes the employer) to such individual exceeds \$100,000.

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

(D) **SPECIAL RULE FOR INDIVIDUALS AFFECTED BY MORE THAN ONE DISASTER.—**The limitation of subparagraph (A) shall be applied separately with respect to distributions made with respect to each qualified disaster.

(3) **AMOUNT DISTRIBUTED MAY BE REPAYED.—**

(A) **IN GENERAL.—**Any individual who receives a qualified disaster distribution may, at any time during the 3-year period beginning on the day after the date on which such distribution was received, make 1 or more contributions in an aggregate amount not to exceed the amount of such distribution to an eligible retirement plan of which such individual is a beneficiary and to which a rollover contribution of such distribution could be made under section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), of the Internal Revenue Code of 1986, as the case may be.

(B) **TREATMENT OF REPAYMENTS OF DISTRIBUTIONS FROM ELIGIBLE RETIREMENT PLANS OTHER THAN IRAS.—**For purposes of the Internal Revenue Code of 1986, if a contribution is made pursuant to subparagraph (A) with respect to a qualified disaster distribution from an eligible retirement plan other than an individual retirement plan, then the taxpayer shall, to the extent of the amount of the contribution, be treated as having received the qualified disaster distribution in an eligible rollover distribution (as defined in section 402(c)(4) of such Code) and as having transferred the amount to the eligible retirement plan in a di-

rect trustee to trustee transfer within 60 days of the distribution.

(C) TREATMENT OF REPAYMENTS OF DISTRIBUTIONS FROM IRAS.—For purposes of the Internal Revenue Code of 1986, if a contribution is made pursuant to subparagraph (A) with respect to a qualified disaster distribution from an individual retirement plan (as defined by section 7701(a)(37) of such Code), then, to the extent of the amount of the contribution, the qualified disaster distribution shall be treated as a distribution described in section 408(d)(3) of such Code and as having been transferred to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(4) DEFINITIONS.—For purposes of this subsection—

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

(i) on or after the first day of the incident period of a qualified disaster and before the date which is 180 days after the date of the enactment of this Act, and

(ii) to an individual whose principal place of abode at any time during the incident period of such qualified disaster is located in the qualified disaster area with respect to such qualified disaster and who has sustained an economic loss by reason of such qualified disaster.

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

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

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

(B) SPECIAL RULE.—For purposes of subparagraph (A), rules similar to the rules of subparagraph (E) of section 408A(d)(3) of the Internal Revenue Code of 1986 shall apply.

(6) SPECIAL RULES.—

(A) EXEMPTION OF DISTRIBUTIONS FROM TRUSTEE TO TRUSTEE TRANSFER AND WITHHOLDING RULES.—For purposes of sections 401(a)(31), 402(f), and 3405 of the Internal Revenue Code of 1986, qualified disaster distributions shall not be treated as eligible rollover distributions.

(B) QUALIFIED DISASTER DISTRIBUTIONS TREATED AS MEETING PLAN DISTRIBUTION REQUIREMENTS.—For purposes the Internal Revenue Code of 1986, a qualified disaster distribution shall be treated as meeting the requirements of sections 401(k)(2)(B)(i), 403(b)(7)(A)(ii), 403(b)(11), and 457(d)(1)(A) of such Code.

(b) RECONTRIBUTIONS OF WITHDRAWALS FOR HOME PURCHASES.—

(1) RECONTRIBUTIONS.—

(A) IN GENERAL.—Any individual who received a qualified distribution may, during the applicable period, make 1 or more contributions in an aggregate amount not to exceed the amount of such qualified distribution to an eligible retirement plan (as defined in section 402(c)(8)(B) of the Internal Revenue Code of 1986) of which such individual is a beneficiary and to which a rollover contribution of such distribution could be made under section 402(c), 403(a)(4), 403(b)(8), or 408(d)(3), of such Code, as the case may be.

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

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

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

(B) which was to be used to purchase or construct a principal residence in a qualified disaster area, but which was not so used on account of the qualified disaster with respect to such area, and

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

(3) APPLICABLE PERIOD.—For purposes of this subsection, the term “applicable period” means, in the case of a principal residence in a qualified disaster area with respect to any qualified disaster, the period beginning on the first day of the incident period of such qualified disaster and ending on the date which is 180 days after the date of the enactment of this Act.

(c) LOANS FROM QUALIFIED PLANS.—

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

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

(B) clause (ii) of such section shall be applied by substituting “the present value of the nonforfeitable accrued benefit of the employee under the plan” for “one-half of the present value of the nonforfeitable accrued benefit of the employee under the plan”.

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



(A) if the due date pursuant to subparagraph (B) or (C) of section 72(p)(2) of such Code for any repayment with respect to such loan occurs during the period beginning on the first day of the incident period of such qualified disaster and ending on the date which is 180 days after the last day of such incident period, such due date shall be delayed for 1 year (or, if later, until the date which is 180 days after the date of the enactment of this Act),

(B) any subsequent repayments with respect to any such loan shall be appropriately adjusted to reflect the delay in the due date under subparagraph (A) and any interest accruing during such delay, and

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

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

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

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

(d) PROVISIONS RELATING TO PLAN AMENDMENTS.—

(1) IN GENERAL.—If this subsection applies to any amendment to any plan or annuity contract, such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in paragraph (2)(B)(i).

(2) AMENDMENTS TO WHICH SUBSECTION APPLIES.—

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

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

(ii) on or before the last day of the first plan year beginning on or after January 1, 2020, or such later date as the Secretary may prescribe.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), clause (ii) shall be applied by substituting the date which is 2 years after the date otherwise applied under clause (ii).

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

(i) during the period—

(I) beginning on the date that this section or the regulation described in subparagraph (A)(i) takes effect (or in the case of a plan or contract amendment not required by this section or such regulation, the effective date specified by the plan), and

(II) ending on the date described in subparagraph (A)(ii) (or, if earlier, the date the plan or contract amendment is adopted),  
 the plan or contract is operated as if such plan or contract amendment were in effect, and  
 (ii) such plan or contract amendment applies retroactively for such period.

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

(a) **IN GENERAL.**—For purposes of section 38 of the Internal Revenue Code of 1986, in the case of an eligible employer, the 2018 through 2019 qualified disaster employee retention credit shall be treated as a credit listed at the end of subsection (b) of such section. For purposes of this subsection, the 2018 through 2019 qualified disaster employee retention credit for any taxable year is an amount equal to 40 percent of the qualified wages with respect to each eligible employee of such employer for such taxable year. The amount of qualified wages with respect to any employee which may be taken into account under this subsection by the employer for any taxable year shall not exceed \$6,000 (reduced by the amount of qualified wages with respect to such employee which may be so taken into account for any prior taxable year).

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

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

(A) which conducted an active trade or business in a qualified disaster zone at any time during the incident period of the qualified disaster with respect to such qualified disaster zone, and

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

(2) **ELIGIBLE EMPLOYEE.**—The term “eligible employee” means with respect to an eligible employer an employee whose principal place of employment with such eligible employer (determined immediately before the qualified disaster referred to in paragraph (1)) was in the qualified disaster zone referred to in such paragraph.

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

(A) the date on which such trade or business has resumed significant operations at such principal place of employment, or

(B) the date which 150 days after the last day of the incident period of the qualified disaster referred to in paragraph (1).

Such term shall include wages paid without regard to whether the employee performs no services, performs services at a different place of employment than such principal place of employment, or performs services at such principal place of employment before significant operations have resumed.

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

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

**SEC. 204. OTHER DISASTER-RELATED TAX RELIEF PROVISIONS.**

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

(1) SUSPENSION OF CURRENT LIMITATION.—Except as otherwise provided in paragraph (2), qualified contributions shall be disregarded in applying subsections (b) and (d) of section 170 of the Internal Revenue Code of 1986.

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

(A) INDIVIDUALS.—In the case of an individual—

(i) LIMITATION.—Any qualified contribution shall be allowed as a deduction only to the extent that the aggregate of such contributions does not exceed the excess of the taxpayer's contribution base (as defined in subparagraph (H) of section 170(b)(1) of such Code) over the amount of all other charitable contributions allowed under section 170(b)(1) of such Code.

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

(B) CORPORATIONS.—In the case of a corporation—

(i) LIMITATION.—Any qualified contribution shall be allowed as a deduction only to the extent that the aggregate of such contributions does not exceed the excess of the taxpayer's taxable income (as determined under paragraph (2) of section 170(b) of such Code) over the amount of all other charitable contributions allowed under such paragraph.

(ii) CARRYOVER.—If the aggregate amount of qualified contributions made in the contribution year (within the meaning of section 170(d)(2) of such Code) exceeds the limitation of clause (i), such excess shall be appropriately taken into account under section 170(d)(2) subject to the limitations thereof.

(3) QUALIFIED CONTRIBUTIONS.—

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

(i) such contribution—

(I) is paid, during the period beginning on January 1, 2018, and ending on the date which is 60 days after the date of the enactment of this Act, in cash to an organization described in section 170(b)(1)(A) of such Code, and

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

(ii) the taxpayer obtains from such organization contemporaneous written acknowledgment (within the meaning of section 170(f)(8) of such Code) that such contribution was used (or is to be used) for relief efforts described in clause (i)(II), and

(iii) the taxpayer has elected the application of this subsection with respect to such contribution.

(B) EXCEPTION.—Such term shall not include a contribution by a donor if the contribution is—

(i) to an organization described in section 509(a)(3) of the Internal Revenue Code of 1986, or

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

(C) APPLICATION OF ELECTION TO PARTNERSHIPS AND S CORPORATIONS.—In the case of a partnership or S corporation, the election under subparagraph (A)(iii) shall be made separately by each partner or shareholder.

(b) SPECIAL RULES FOR QUALIFIED DISASTER-RELATED PERSONAL CASUALTY LOSSES.—

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

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

(i) such net disaster loss, and

(ii) so much of the excess referred to in the matter preceding clause (i) of section 165(h)(2)(A) of such Code (reduced by the amount in clause (i) of this subparagraph) as exceeds 10 percent of the adjusted gross income of the individual,

(B) section 165(h)(1) of such Code shall be applied by substituting “\$500” for “\$500 (\$100 for taxable years beginning after December 31, 2009)”,

(C) the standard deduction determined under section 63(c) of such Code shall be increased by the net disaster loss, and

(D) section 56(b)(1)(E) of such Code (section 56(b)(1)(D) of such Code in the case of taxable years ending after December 31, 2018) shall not apply to so much of the standard deduction as is attributable to the increase under subparagraph (C) of this paragraph.

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

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

(c) SPECIAL RULE FOR DETERMINING EARNED INCOME.—

(1) IN GENERAL.—In the case of a qualified individual, if the earned income of the taxpayer for the applicable taxable year is less than the earned income of the taxpayer for the preceding taxable year, the credits allowed under sections 24(d) and 32 of the Internal Revenue Code of 1986 may, at the election of the taxpayer, be determined by substituting—

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

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

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

(A) in the qualified disaster zone with respect to such qualified disaster, or

(B) in the qualified disaster area with respect to such qualified disaster (but outside the qualified disaster zone with respect to such qualified disaster) and such individual was displaced from such principal place of abode by reason of such qualified disaster.

(3) APPLICABLE TAXABLE YEAR.—For purposes of this subsection, the term “applicable taxable year” means—

(A) in the case of a qualified individual other than an individual described in subparagraph (B), any taxable year which includes any portion of the incident period of the qualified disaster to which the qualified disaster area referred to in paragraph (2)(A) relates, or

(B) in the case of a qualified individual described in subparagraph (B) of paragraph (2), any taxable year which includes any portion of the period described in such subparagraph.

(4) EARNED INCOME.—For purposes of this subsection, the term “earned income” has the meaning given such term under section 32(c) of the Internal Revenue Code of 1986.

(5) SPECIAL RULES.—

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

(i) such paragraph shall apply if either spouse is a qualified individual, and

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

(B) UNIFORM APPLICATION OF ELECTION.—Any election made under paragraph (1) shall apply with respect to both sections 24(d) and 32 of the Internal Revenue Code of 1986.

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

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

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

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

“(d) MANDATORY 60-DAY EXTENSION.—

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

“(A) beginning on the earliest incident date specified in the declaration to which the disaster area referred to in paragraph (2) relates, and

“(B) ending on the date which is 60 days after the latest incident date so specified,

shall be disregarded in the same manner as a period specified under subsection (a).

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

“(A) any individual whose principal residence (for purposes of section 1033(h)(4)) is located in a disaster area,

“(B) any taxpayer if the taxpayer’s principal place of business (other than the business of performing services as an employee) is located in a disaster area,

“(C) any individual who is a relief worker affiliated with a recognized government or philanthropic organization and who is assisting in a disaster area,

“(D) any taxpayer whose records necessary to meet a deadline for an act described in section 7508(a)(1) are maintained in a disaster area,

“(E) any individual visiting a disaster area who was killed or injured as a result of the disaster, and

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

“(3) DISASTER AREA.—For purposes of this subsection, the term ‘disaster area’ has the meaning given such term under subparagraph (B) of section 165(i)(5) with respect to a Federally declared disaster (as defined in subparagraph (A) of such section).

“(4) APPLICATION TO RULES REGARDING PENSIONS.—In the case of any person described in subsection (b), a rule similar to the rule of paragraph (1) shall apply for purposes of subsection (b) with respect to—

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

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

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

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

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

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

**SEC. 206. MODIFICATION OF THE TAX RATE FOR THE EXCISE TAX ON INVESTMENT INCOME OF PRIVATE FOUNDATIONS.**

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

(b) ELIMINATION OF REDUCED TAX WHERE FOUNDATION MEETS CERTAIN DISTRIBUTION REQUIREMENTS.—Section 4940 is amended by striking subsection (e).

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

**SEC. 207. ADDITIONAL LOW-INCOME HOUSING CREDIT ALLOCATIONS FOR QUALIFIED 2017 AND 2018 CALIFORNIA DISASTER AREAS.**

(a) IN GENERAL.—For purposes of section 42 of the Internal Revenue Code of 1986, the State housing credit ceiling for California for calendar year 2020 shall be increased by the lesser of—

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

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

(b) ALLOCATIONS TREATED AS MADE FIRST FROM ADDITIONAL ALLOCATION FOR PURPOSES OF DETERMINING CARRYOVER.—For purposes of determining the unused State housing credit ceiling for any calendar year under section 42(h)(3)(C) of the Internal Revenue Code of 1986, any increase in the State housing credit ceiling under subsection (a) shall be treated as an amount described in clause (ii) of such section.

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

(1) QUALIFIED 2017 AND 2018 CALIFORNIA DISASTER AREAS.—The term “qualified 2017 and 2018 California disaster areas” means any area in California which was determined by the President (before January 1, 2019) to warrant individual or in-

dividual and public assistance from the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of a major disaster the incident period of which begins or ends in calendar year 2017 or 2018. Notwithstanding section 201, for purposes of the preceding sentence, the term “incident period” means the period specified by the Federal Emergency Management Agency as the period during which the disaster occurred.

(2) OTHER DEFINITIONS.—Terms used in this section which are also used in section 42 of the Internal Revenue Code of 1986 shall have the same meaning in this section as in such section 42.

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

(a) PAYMENTS TO POSSESSIONS WITH MIRROR CODE TAX SYSTEMS.—The Secretary of the Treasury shall pay to each possession of the United States which has a mirror code tax system amounts equal to the loss (if any) to that possession by reason of the application of the provisions of this title. Such amounts shall be determined by the Secretary of the Treasury based on information provided by the government of the respective possession.

(b) PAYMENTS TO OTHER POSSESSIONS.—The Secretary of the Treasury shall pay to each possession of the United States which does not have a mirror code tax system amounts estimated by the Secretary of the Treasury as being equal to the aggregate benefits (if any) that would have been provided to residents of such possession by reason of the provisions of this title if a mirror code tax system had been in effect in such possession. The preceding sentence shall not apply unless the respective possession has a plan, which has been approved by the Secretary of the Treasury, under which such possession will promptly distribute such payments to its residents.

(c) MIRROR CODE TAX SYSTEM.—For purposes of this section, the term “mirror code tax system” means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States.

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

## **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.**

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

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



“(i) any grant, contribution, or assistance provided pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act or any similar grant, contribution, or assistance by any local, State, or regional governmental entity for the purpose of relief, recovery, or restoration from, or preparation for, a disaster or emergency, or

“(ii) any grant or contribution by any governmental entity (other than a contribution in aid of construction or any other contribution as a customer or potential customer) the purpose of which is substantially related to providing, constructing, restoring, or relocating electric, communication, broadband, internet, or other utility facilities or services.”.

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

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

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

(b) **EFFECTIVE DATE.**—The amendment made by this section shall take effect as if included in the amendments made by section 13703 of Public Law 115–97.