

106TH CONGRESS  
1ST SESSION

# S. 904

To provide that certain costs of private foundations in removing hazardous substances shall be treated as qualifying distributions.

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IN THE SENATE OF THE UNITED STATES

APRIL 28, 1999

Mr. BUNNING (for himself and Mr. McCONNELL) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To provide that certain costs of private foundations in removing hazardous substances shall be treated as qualifying distributions.

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. CERTAIN COSTS OF PRIVATE FOUNDATION IN**  
4                       **REMOVING HAZARDOUS SUBSTANCES TREAT-**  
5                       **ED AS QUALIFYING DISTRIBUTION.**

6       (a) IN GENERAL.—In the case of any taxable year  
7 beginning after December 31, 1999, the distributable  
8 amount of a private foundation for such taxable year for  
9 purposes of section 4942 of the Internal Revenue Code  
10 of 1986 shall be reduced (but not below zero) by any

1 amount paid or incurred (or set aside) by such private  
2 foundation for the investigatory costs and direct costs of  
3 removal or taking remedial action with respect to a haz-  
4 ardous substance released at a facility which was owned  
5 or operated by such private foundation.

6 (b) LIMITATIONS.—Subsection (a) shall only apply to  
7 costs—

8 (1) incurred with respect to hazardous sub-  
9 stances disposed of at a facility owned or operated  
10 by the private foundation but only if—

11 (A) such facility was transferred to such  
12 foundation by bequest before December 11,  
13 1980, and

14 (B) the active operation of such facility by  
15 such foundation was terminated before Decem-  
16 ber 12, 1980, and

17 (2) which were not incurred pursuant to a  
18 pending order issued to the private foundation uni-  
19 laterally by the President or the President's assignee  
20 under section 106 of the Comprehensive Environ-  
21 mental Response, Compensation, and Liability Act  
22 of 1980 (42 U.S.C. 9606), or pursuant to a non-  
23 consensual judgment against the private foundation  
24 issued in a governmental cost recovery action under  
25 section 107 of such Act (42 U.S.C. 9607).

1       (c) HAZARDOUS SUBSTANCE.—For purposes of this  
2 section, the term “hazardous substance” has the meaning  
3 given such term by section 101(14) of the Comprehensive  
4 Environmental Response, Compensation, and Liability Act  
5 of 1980 (42 U.S.C. 9601(14)).

