

108TH CONGRESS
1ST SESSION

H. R. 478

To amend the Internal Revenue Code of 1986 to expand the rules for involuntary conversions of livestock sold on account of weather-related conditions.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 2003

Mr. McINNIS (for himself, Mr. POMEROY, Mr. HAYWORTH, Mr. HULSHOF, Mr. HERGER, Mrs. CUBIN, Mr. HEFLEY, Mr. BEAUPREZ, Mrs. MUSGRAVE, Ms. DEGETTE, Mr. TANCREDI, and Mr. PETERSON of Pennsylvania) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to expand the rules for involuntary conversions of livestock sold on account of weather-related conditions.

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 “Rancher HELP (Help
5 Extend Livestock Proceeds) Act of 2003”.

1 **SEC. 2. SPECIAL RULES FOR LIVESTOCK SOLD ON AC-**
2 **COUNT OF WEATHER-RELATED CONDITIONS.**

3 (a) RULES FOR REPLACEMENT OF INVOLUNTARILY
4 CONVERTED LIVESTOCK.—Subsection (e) of section 1033
5 of the Internal Revenue Code of 1986 (relating to involun-
6 tary conversions) is amended—

7 (1) by striking “CONDITIONS.—For purposes”
8 and inserting “CONDITIONS.—

9 “(1) IN GENERAL.—For purposes”, and

10 (2) by adding at the end the following new
11 paragraph:

12 “(2) EXTENSION OF REPLACEMENT PERIOD.—

13 “(A) IN GENERAL.—In the case of
14 drought, flood, or other weather-related condi-
15 tions described in paragraph (1) which result in
16 the area being designated as eligible for assist-
17 ance by the Federal Government, subsection
18 (a)(2)(B) shall be applied with respect to any
19 converted property by substituting ‘4 years’ for
20 ‘2 years’.

21 “(B) FURTHER EXTENSION BY SEC-
22 RETARY.—The Secretary may extend on a re-
23 gional basis the period for replacement under
24 this section (after the application of subpara-
25 graph (A)) for such additional time as the Sec-
26 retary determines appropriate if the weather-

1 related conditions which resulted in such appli-
2 cation continue for more than 3 years.”.

3 (b) INCOME INCLUSION RULES.—Section 451(e) of
4 such Code (relating to special rule for proceeds from live-
5 stock sold on account of drought, flood, or other weather-
6 related conditions) is amended by adding at the end the
7 following new paragraph:

8 “(3) SPECIAL ELECTION RULES.—If section
9 1033(e)(2) applies to a sale or exchange of livestock
10 described in paragraph (1), the election under para-
11 graph (1) shall be deemed valid if made during the
12 replacement period described in such section.”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to any taxable year with respect
15 to which the due date (without regard to extensions) for
16 the return is after December 31, 2002.

○