

108TH CONGRESS  
2D SESSION

# H. R. 5094

To amend the Internal Revenue Code of 1986 to allow withdrawals from individual retirement plans without penalty by individuals within areas determined by the President to be disaster areas by reason of certain natural disasters occurring in 2004.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 2004

Mr. FOLEY (for himself, Mr. SHAW, Mr. BOYD, Ms. ROS-LEHTINEN, Mr. MARIO DIAZ-BALART of Florida, Mr. HASTINGS of Florida, Mr. GOSS, Mr. BILIRAKIS, Mr. DAVIS of Florida, Ms. CORRINE BROWN of Florida, Mr. LINCOLN DIAZ-BALART of Florida, Mr. KELLER, Ms. GINNY BROWN-WAITE of Florida, Mr. MILLER of Florida, Ms. HARRIS, Mr. DEUTSCH, Mr. MICA, Mr. WEXLER, Mr. CAMP, Mr. ENGLISH, Mr. WELLER, Mr. HOUGHTON, Mr. WILSON of South Carolina, Mr. BURTON of Indiana, Mr. TAYLOR of North Carolina, and Mr. PICKERING) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow withdrawals from individual retirement plans without penalty by individuals within areas determined by the President to be disaster areas by reason of certain natural disasters occurring in 2004.

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

1 **SECTION 1. TEMPORARY EXPANSION OF PENALTY-FREE**  
2 **WITHDRAWALS FROM INDIVIDUAL RETIRE-**  
3 **MENT PLANS FOR INDIVIDUALS WITHIN CER-**  
4 **TAIN DISASTER AREAS.**

5 (a) IN GENERAL.—Paragraph (2) of section 72(t) of  
6 the Internal Revenue Code of 1986 (relating to 10-percent  
7 additional tax on early distributions from qualified retire-  
8 ment plans) is amended by adding at the end the following  
9 new subparagraph:

10 “(G) DISTRIBUTIONS FROM RETIREMENT  
11 PLANS TO VICTIMS OF CERTAIN NATURAL DIS-  
12 ASTERS OCCURRING IN 2004.—Any distribution  
13 from an individual retirement plan to an indi-  
14 vidual who resides within, or holds real property  
15 located within, an area determined by the Presi-  
16 dent to warrant assistance from the Federal  
17 Government under the Robert T. Stafford Dis-  
18 aster Relief and Emergency Assistance Act by  
19 reason of hurricane, flood, or other natural dis-  
20 aster at least part of which occurred in calendar  
21 year 2004 if such distribution is made within 6  
22 months after the date of the disaster declara-  
23 tion. Distributions shall not be taken into ac-  
24 count under the preceding sentence if such dis-  
25 tributions are described in subparagraph (A),  
26 (D), (E), or (F) or to the extent paragraph (1)

1           does not apply to such distributions by reason  
2           of subparagraph (B).”.

3           (b) **EFFECTIVE DATE.**—The amendment made by  
4 this section shall apply to distributions received in taxable  
5 years beginning after December 31, 2003.

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