

109TH CONGRESS
1ST SESSION

H. R. 3785

To amend the Internal Revenue Code of 1986 to exempt from personal use rules the use of vacation property as a residence for persons displaced by Hurricane Katrina.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 2005

Mrs. JO ANN DAVIS of Virginia 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 exempt from personal use rules the use of vacation property as a residence for persons displaced by Hurricane Katrina.

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. USE OF VACATION HOMES BY PERSONS DIS-**
4 **PLACED BY HURRICANE KATRINA.**

5 (a) IN GENERAL.—Section 280A of the Internal Rev-
6 enue Code of 1986 (relating to disallowance of certain ex-
7 penses in connection with business use of home, rental of

1 vacation homes, etc.) is amended by adding at the end
 2 the following:

3 “(h) USE OF DWELLING UNIT BY PERSONS DIS-
 4 PLACED BY DISASTER.—

5 “(1) IN GENERAL.—For purposes of subsection
 6 (d), in the case of any taxable year beginning in
 7 2005, a taxpayer shall not be treated as using a
 8 dwelling unit for personal purposes by reason of an
 9 arrangement for any period if for such period such
 10 dwelling unit—

11 “(A) is used by a natural person who is
 12 displaced by Hurricane Katrina, and

13 “(B) is provided free of charge by the tax-
 14 payer for use as such person’s principal resi-
 15 dence.

16 “(2) SPECIAL RULE RELATING TO ALLOCATION
 17 OF EXPENSES.—For purposes of subsection (e), a
 18 dwelling unit shall be treated as rented at fair rental
 19 on any day of the taxable year on which paragraph
 20 (1) applies to the use of such dwelling unit.”.

21 (b) EFFECTIVE DATE.—The amendment made by
 22 subsection (a) shall apply to taxable years ending after
 23 the date of the enactment of this Act.

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