

109TH CONGRESS
1ST SESSION

H. R. 4445

To provide an exclusion from gross income for income earned in 2005 from sources within the Hurricanes Katrina and Rita core disaster area.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 6, 2005

Mr. JINDAL introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide an exclusion from gross income for income earned in 2005 from sources within the Hurricanes Katrina and Rita core disaster area.

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. EXCLUSION OF INCOME FOR RESIDENTS OF**
4 **THE HURRICANES KATRINA AND RITA CORE**
5 **DISASTER AREA.**

6 (a) GENERAL RULE.—In the case of an individual,
7 there shall be excluded from gross income for each taxable
8 year beginning during calendar year 2005 an amount
9 equal to the qualified earned income of the taxpayer.

1 (b) LIMITATION BASED ON FOREIGN EARNED IN-
2 COME EXCLUSION RULE.—

3 (1) IN GENERAL.—The amount which may be
4 excluded under subsection (a) for any taxable year
5 shall not exceed the amount of qualified earned in-
6 come computed on a daily basis at an annual rate
7 equal to the exclusion amount for the calendar year
8 in which such taxable year begins.

9 (2) EXCLUSION AMOUNT.—For purposes of
10 paragraph (1), the exclusion amount is the amount
11 in effect for calendar year 2005 under section
12 911(b)(2) of the Internal Revenue Code of 1986.

13 (c) QUALIFIED EARNED INCOME.—For purposes of
14 this section—

15 (1) IN GENERAL.—The term “qualified earned
16 income” means earned income (as defined by section
17 911(d)(2) of such Code) of a qualified individual.
18 For purposes of the preceding sentence, rules similar
19 to the rules of section 911(b) of such Code shall
20 apply.

21 (2) QUALIFIED INDIVIDUAL.—The term “quali-
22 fied individual” means an individual whose tax home
23 is in the Hurricanes Katrina and Rita core disaster
24 area and—

1 (A) who is a citizen or resident of the
2 United States and establishes to the satisfac-
3 tion of the Secretary that he has been a bona
4 fide resident of the Hurricanes Katrina and
5 Rita core disaster area for the uninterrupted
6 period which includes the entire taxable year
7 beginning in 2005,

8 (B) who is a citizen or resident of the
9 United States and who, during calendar year
10 2005, is present in such core disaster area dur-
11 ing at least 330 full days in such year, or

12 (C) whose earned income for the imme-
13 diately preceding taxable year attributable to
14 sources within the Hurricanes Katrina and Rita
15 core disaster area is greater than 50 percent of
16 such individual's total earned income for such
17 taxable year.

18 (3) TAX HOME.—The term “tax home” means,
19 with respect to any individual, such individual's
20 home for purposes of section 162(a)(2) of such Code
21 (relating to traveling expenses while away from
22 home). An individual shall not be treated as having
23 a tax home in the Hurricanes Katrina and Rita core
24 disaster area for any period for which his abode is

1 within the United States outside of the Hurricanes
2 Katrina and Rita core disaster area.

3 (4) HURRICANES KATRINA AND RITA CORE DIS-
4 ASTER AREA.—

5 (A) IN GENERAL.—The term “Hurricanes
6 Katrina and Rita core disaster area” means
7 that portion of the Hurricane Katrina disaster
8 area and the Hurricane Rita disaster area de-
9 termined by the President to warrant individual
10 or individual and public assistance from the
11 Federal Government under the Robert T. Staf-
12 ford Disaster Relief and Emergency Assistance
13 Act by reason of Hurricane Katrina or Hurri-
14 cane Rita.

15 (B) HURRICANE KATRINA DISASTER
16 AREA.—The term “Hurricane Katrina disaster
17 area” means an area with respect to which a
18 major disaster has been declared by the Presi-
19 dent before September 14, 2005, under section
20 401 of the Robert T. Stafford Disaster Relief
21 and Emergency Assistance Act by reason of
22 Hurricane Katrina.

23 (C) HURRICANE RITA DISASTER AREA.—
24 The term “Hurricane Rita disaster area”
25 means an area with respect to which a major

1 disaster has been declared by the President, be-
2 fore October 6, 2005, under section 401 of the
3 Robert T. Stafford Disaster Relief and Emer-
4 gency Assistance Act by reason of Hurricane
5 Rita.

6 (5) WAIVER OF PERIOD OF STAY.—Notwith-
7 standing paragraph (2), an individual who—

8 (A) is a bona fide resident of, or is present
9 in, the Hurricanes Katrina and Rita core dis-
10 aster area for any period,

11 (B) leaves the Hurricanes Katrina and
12 Rita core disaster area by reason of Hurricane
13 Katrina or Hurricane Rita—

14 (i) during any period during which the
15 Secretary determines that individuals were
16 required to leave such area because of ad-
17 verse conditions in such area which pre-
18 cluded the normal conduct of business by
19 such individuals, and

20 (ii) before meeting the requirements
21 of paragraph (1), and

22 (iii) establishes to the satisfaction of
23 the Secretary that such individual could
24 reasonably have been expected to have met

1 such requirements but for the conditions
2 referred to in clause (i),
3 shall be treated as a qualified individual with
4 respect to the period described in subparagraph
5 (A) during which he was a bona fide resident
6 of, or was present in, such core disaster area
7 and in applying subsection (b) with respect to
8 such individual, only the days within such pe-
9 riod shall be taken into account.

10 (d) SECRETARY DEFINED.—For purposes of this sec-
11 tion, the term “Secretary” means the Secretary of the
12 Treasury or the Secretary’s delegate.

13 (e) AMOUNTS EXCLUDED TREATED AS SECTION 911
14 EXCLUSION FOR PURPOSES OF INTERNAL REVENUE
15 CODE OF 1986.—For purposes of the Internal Revenue
16 Code of 1986, any amount excluded under this section
17 shall be treated as an amount to excluded under section
18 911 of such Code.

19 (f) RULE OF INTERPRETATION.—This section shall
20 be interpreted and applied using the principles of section
21 911 of such Code.

22 (g) REGULATIONS.—The Secretary shall prescribe
23 such regulations as may be necessary or appropriate to
24 carry out the purposes of this section. Such regulations

- 1 shall be similar to the regulations prescribed under section
- 2 911(d)(9) of such Code.

