

110TH CONGRESS
1ST SESSION

H. R. 2935

To extend tax relief to the residents and businesses of an area with respect to which a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (FEMA–1699–DR) by reason of severe storms and tornados beginning on May 4, 2007, and determined by the President to warrant individual or individual and public assistance from the Federal Government under such Act.

IN THE HOUSE OF REPRESENTATIVES

JUNE 28, 2007

Mr. MORAN of Kansas (for himself, Mr. TIAHRT, Mr. MOORE of Kansas, and Mrs. BOYDA of Kansas) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend tax relief to the residents and businesses of an area with respect to which a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (FEMA–1699–DR) by reason of severe storms and tornados beginning on May 4, 2007, and determined by the President to warrant individual or individual and public assistance from the Federal Government under such Act.

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. SHORT TITLE.**

2 This Act may be cited as “Kansas Disaster Tax Re-
3 lief Assistance Act”.

4 **SEC. 2. TEMPORARY TAX RELIEF FOR KIOWA COUNTY, KAN-**
5 **SAS AND SURROUNDING AREA.**

6 The following provisions of or relating to the Internal
7 Revenue Code of 1986 shall apply, in addition to the areas
8 described in such provisions, to an area with respect to
9 which a major disaster has been declared by the President
10 under section 401 of the Robert T. Stafford Disaster Re-
11 lief and Emergency Assistance Act (FEMA–1699–DR, as
12 in effect on the date of the enactment of this Act) by rea-
13 son of severe storms and tornados beginning on May 4,
14 2007, and determined by the President to warrant indi-
15 vidual or individual and public assistance from the Federal
16 Government under such Act with respect to damages at-
17 tributed to such storms and tornados:

18 (1) **SUSPENSION OF CERTAIN LIMITATIONS ON**
19 **PERSONAL CASUALTY LOSSES.**—Section 1400S(b)(1)
20 of the Internal Revenue Code of 1986, by sub-
21 stituting “May 4, 2007” for “August 25, 2005”.

22 (2) **EXTENSION OF REPLACEMENT PERIOD FOR**
23 **NONRECOGNITION OF GAIN.**—Section 405 of the
24 Katrina Emergency Tax Relief Act of 2005, by sub-
25 stituting “on or after May 4, 2007, by reason of the

1 May 4, 2007, storms and tornados” for “on or after
2 August 25, 2005, by reason of Hurricane Katrina”.

3 (3) EMPLOYEE RETENTION CREDIT FOR EM-
4 PLOYERS AFFECTED BY MAY 4 STORMS AND TOR-
5 NADOS.—Section 1400R(a) of the Internal Revenue
6 Code of 1986—

7 (A) by substituting “May 4, 2007” for
8 “August 28, 2005” each place it appears,

9 (B) by substituting “January 1, 2008” for
10 “January 1, 2006” both places it appears, and

11 (C) only with respect to eligible employers
12 who employed an average of not more than 200
13 employees on business days during the taxable
14 year before May 4, 2007.

15 (4) SPECIAL ALLOWANCE FOR CERTAIN PROP-
16 erty ACQUIRED ON OR AFTER MAY 5, 2007.—Section
17 1400N(d) of such Code—

18 (A) by substituting “qualified Recovery As-
19 sistance property” for “qualified Gulf Oppor-
20 tunity Zone property” each place it appears,

21 (B) by substituting “May 5, 2007” for
22 “August 28, 2005” each place it appears,

23 (C) by substituting “December 31, 2008”
24 for “December 31, 2007” in paragraph
25 (2)(A)(v),

1 (D) by substituting “December 31, 2009”
2 for “December 31, 2008” in paragraph
3 (2)(A)(v),

4 (E) by substituting “May 4, 2007” for
5 “August 27, 2005” in paragraph (3)(A),

6 (F) by substituting “January 1, 2009” for
7 “January 1, 2008” in paragraph (3)(B), and

8 (G) determined without regard to para-
9 graph (6) thereof.

10 (5) INCREASE IN EXPENSING UNDER SECTION
11 179.—Section 1400N(e) of such Code, by sub-
12 stituting “qualified section 179 Recovery Assistance
13 property” for “qualified section 179 Gulf Oppor-
14 tunity Zone property” each place it appears.

15 (6) EXPENSING FOR CERTAIN DEMOLITION AND
16 CLEAN-UP COSTS.—Section 1400N(f) of such
17 Code—

18 (A) by substituting “qualified Recovery As-
19 sistance clean-up cost” for “qualified Gulf Op-
20 portunity Zone clean-up cost” each place it ap-
21 pears, and

22 (B) by substituting “beginning on May 4,
23 2007, and ending on December 31, 2009” for
24 “beginning on August 28, 2005, and ending on
25 December 31, 2007” in paragraph (2) thereof.

1 (7) TREATMENT OF PUBLIC UTILITY PROPERTY
2 DISASTER LOSSES.—Section 1400N(o) of such Code.

3 (8) TREATMENT OF NET OPERATING LOSSES
4 ATTRIBUTABLE TO STORM LOSSES.—Section
5 1400N(k) of such Code—

6 (A) by substituting “qualified Recovery As-
7 sistance loss” for “qualified Gulf Opportunity
8 Zone loss” each place it appears,

9 (B) by substituting “after May 3, 2007,
10 and before January 1, 2010” for “after August
11 27, 2005, and before January 1, 2008” each
12 place it appears,

13 (C) by substituting “May 4, 2007” for
14 “August 28, 2005” in paragraph (2)(B)(ii)(I)
15 thereof,

16 (D) by substituting “qualified Recovery
17 Assistance property” for “qualified Gulf Oppor-
18 tunity Zone property” in paragraph (2)(B)(iv)
19 thereof, and

20 (E) by substituting “qualified Recovery As-
21 sistance casualty loss” for “qualified Gulf Op-
22 portunity Zone casualty loss” each place it ap-
23 pears.

24 (9) TREATMENT OF REPRESENTATIONS RE-
25 GARDING INCOME ELIGIBILITY FOR PURPOSES OF

1 QUALIFIED RENTAL PROJECT REQUIREMENTS.—Sec-
2 tion 1400N(n) of such Code.

3 (10) SPECIAL RULES FOR USE OF RETIREMENT
4 FUNDS.—Section 1400Q of such Code—

5 (A) by substituting “qualified Recovery As-
6 sistance distribution” for “qualified hurricane
7 distribution” each place it appears,

8 (B) by substituting “on or after May 4,
9 2007, and before January 1, 2009” for “on or
10 after August 25, 2005, and before January 1,
11 2007” in subsection (a)(4)(A)(i),

12 (C) by substituting “qualified storm dis-
13 tribution” for “qualified Katrina distribution”
14 each place it appears,

15 (D) by substituting “after November 4,
16 2006, and before May 5, 2007” for “after Feb-
17 ruary 28, 2005, and before August 29, 2005”
18 in subsection (b)(2)(B)(ii),

19 (E) by substituting “beginning on May 4,
20 2007, and ending on November 5, 2007” for
21 “beginning on August 25, 2005, and ending on
22 February 28, 2006” in subsection (b)(3)(A),

23 (F) by substituting “qualified storm indi-
24 vidual” for “qualified Hurricane Katrina indi-
25 vidual” each place it appears,

1 (G) by substituting “December 31, 2007”
2 for “December 31, 2006” in subsection
3 (c)(2)(A),

4 (H) by substituting “beginning on June 4,
5 2007, and ending on December 31, 2007” for
6 “beginning on September 24, 2005, and ending
7 on December 31, 2006” in subsection
8 (c)(4)(A)(i),

9 (I) by substituting “May 4, 2007” for
10 “August 25, 2005” in subsection (c)(4)(A)(ii),
11 and

12 (J) by substituting “January 1, 2008” for
13 “January 1, 2007” in subsection (d)(2)(A)(ii).

○