

110TH CONGRESS  
1ST SESSION

# S. 1532

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.

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## IN THE SENATE OF THE UNITED STATES

MAY 25, 2007

Mr. ROBERTS (for himself and Mr. BROWNBACK) introduced the following bill; which was read twice, considered, read the third time, and passed

MAY 25, 2007

Ordered held at the desk

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## 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,*

3 **SECTION 1. SHORT TITLE.**

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

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

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

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

24 (2) **EXTENSION OF REPLACEMENT PERIOD FOR**  
 25 **NONRECOGNITION OF GAIN.**—Section 405 of the

1 Katrina Emergency Tax Relief Act of 2005, by sub-  
2 stituting “on or after May 4, 2007, by reason of the  
3 May 4, 2007, storms and tornados” for “on or after  
4 August 25, 2005, by reason of Hurricane Katrina”.

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

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

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

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

17 (4) SPECIAL ALLOWANCE FOR CERTAIN PROP-  
18 erty ACQUIRED ON OR AFTER MAY 5, 2007.—Section  
19 1400N(d) of such Code—

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

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

1 (C) by substituting “December 31, 2008”  
2 for “December 31, 2007” in paragraph  
3 (2)(A)(v),

4 (D) by substituting “December 31, 2009”  
5 for “December 31, 2008” in paragraph  
6 (2)(A)(v),

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

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

11 (G) determined without regard to para-  
12 graph (6) thereof.

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

18 (6) EXPENSING FOR CERTAIN DEMOLITION AND  
19 CLEAN-UP COSTS.—Section 1400N(f) of such  
20 Code—

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

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

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

7 (8) TREATMENT OF NET OPERATING LOSSES  
8 ATTRIBUTABLE TO STORM LOSSES.—Section  
9 1400N(k) of such Code—

10 (A) by substituting “qualified Recovery As-  
11 sistance loss” for “qualified Gulf Opportunity  
12 Zone loss” each place it appears,

13 (B) by substituting “after May 3, 2007,  
14 and before January 1, 2010” for “after August  
15 27, 2005, and before January 1, 2008” each  
16 place it appears,

17 (C) by substituting “May 4, 2007” for  
18 “August 28, 2005” in paragraph (2)(B)(ii)(I)  
19 thereof,

20 (D) by substituting “qualified Recovery  
21 Assistance property” for “qualified Gulf Oppor-  
22 tunity Zone property” in paragraph (2)(B)(iv)  
23 thereof, and

24 (E) by substituting “qualified Recovery As-  
25 sistance casualty loss” for “qualified Gulf Op-

1           portunity Zone casualty loss” each place it ap-  
2           pears.

3           (9) TREATMENT OF REPRESENTATIONS RE-  
4           GARDING INCOME ELIGIBILITY FOR PURPOSES OF  
5           QUALIFIED RENTAL PROJECT REQUIREMENTS.—Sec-  
6           tion 1400N(n) of such Code.

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

9                   (A) by substituting “qualified Recovery As-  
10                   sistance distribution” for “qualified hurricane  
11                   distribution” each place it appears,

12                   (B) by substituting “on or after May 4,  
13                   2007, and before January 1, 2009” for “on or  
14                   after August 25, 2005, and before January 1,  
15                   2007” in subsection (a)(4)(A)(i),

16                   (C) by substituting “qualified storm dis-  
17                   tribution” for “qualified Katrina distribution”  
18                   each place it appears,

19                   (D) by substituting “after November 4,  
20                   2006, and before May 5, 2007” for “after Feb-  
21                   ruary 28, 2005, and before August 29, 2005”  
22                   in subsection (b)(2)(B)(ii),

23                   (E) by substituting “beginning on May 4,  
24                   2007, and ending on November 5, 2007” for

1 “beginning on August 25, 2005, and ending on  
2 February 28, 2006” in subsection (b)(3)(A),

3 (F) by substituting “qualified storm indi-  
4 vidual” for “qualified Hurricane Katrina indi-  
5 vidual” each place it appears,

6 (G) by substituting “December 31, 2007”  
7 for “December 31, 2006” in subsection  
8 (c)(2)(A),

9 (H) by substituting “beginning on June 4,  
10 2007, and ending on December 31, 2007” for  
11 “beginning on September 24, 2005, and ending  
12 on December 31, 2006” in subsection  
13 (c)(4)(A)(i),

14 (I) by substituting “May 4, 2007” for  
15 “August 25, 2005” in subsection (c)(4)(A)(ii),  
16 and

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

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