

110TH CONGRESS
1ST SESSION

S. 2374

To amend the Internal Revenue Code of 1986 to make technical corrections,
and for other purposes.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 15, 2007

Mr. BAUCUS (for himself and Mr. GRASSLEY) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to make
technical corrections, and for other purposes.

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; AMENDMENT OF 1986 CODE;**

4 **TABLE OF CONTENTS.**

5 (a) SHORT TITLE.—This Act may be cited as the
6 “Tax Technical Corrections Act of 2007”.

7 (b) AMENDMENT OF 1986 CODE.—Except as other-
8 wise expressly provided, whenever in this Act an amend-
9 ment or repeal is expressed in terms of an amendment
10 to, or repeal of, a section or other provision, the reference

1 shall be considered to be made to a section or other provi-
 2 sion of the Internal Revenue Code of 1986.

3 (c) TABLE OF CONTENTS.—The table of contents of
 4 this Act is as follows:

- Sec. 1. Short title; amendment of 1986 Code; table of contents.
- Sec. 2. Amendment related to the Tax Relief and Health Care Act of 2006.
- Sec. 3. Amendments related to title XII of the Pension Protection Act of 2006.
- Sec. 4. Amendments related to the Tax Increase Prevention and Reconciliation Act of 2005.
- Sec. 5. Amendments related to the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users.
- Sec. 6. Amendments related to the Energy Policy Act of 2005.
- Sec. 7. Amendments related to the American Jobs Creation Act of 2004.
- Sec. 8. Amendment related to the Jobs and Growth Tax Relief Reconciliation Act of 2003.
- Sec. 9. Amendments related to the Economic Growth and Tax Relief Reconciliation Act of 2001.
- Sec. 10. Amendments related to the Tax Relief Extension Act of 1999.
- Sec. 11. Amendment related to the Internal Revenue Service Restructuring and Reform Act of 1998.
- Sec. 12. Clerical corrections.

5 **SEC. 2. AMENDMENT RELATED TO THE TAX RELIEF AND**
 6 **HEALTH CARE ACT OF 2006.**

7 (a) AMENDMENT RELATED TO SECTION 402 OF DI-
 8 VISION A OF THE ACT.—Subparagraph (A) of section
 9 53(e)(2) is amended to read as follows:

10 “(A) IN GENERAL.—The term ‘AMT re-
 11 fundable credit amount’ means, with respect to
 12 any taxable year, the amount (not in excess of
 13 the long-term unused minimum tax credit for
 14 such taxable year) equal to the greater of—

15 “(i) \$5,000,

1 “(ii) 20 percent of the long-term un-
 2 used minimum tax credit for such taxable
 3 year, or

4 “(iii) the amount (if any) of the AMT
 5 refundable credit amount determined
 6 under this paragraph for the taxpayer’s
 7 preceding taxable year (as determined be-
 8 fore any reduction under subparagraph
 9 (B)).”.

10 (b) EFFECTIVE DATE.—The amendment made by
 11 this section shall take effect as if included in the provision
 12 of the Tax Relief and Health Care Act of 2006 to which
 13 it relates.

14 **SEC. 3. AMENDMENTS RELATED TO TITLE XII OF THE PEN-**
 15 **SION PROTECTION ACT OF 2006.**

16 (a) AMENDMENT RELATED TO SECTION 1201 OF
 17 THE ACT.—Subparagraph (D) of section 408(d)(8) is
 18 amended by striking “all amounts distributed from all in-
 19 dividual retirement plans were treated as 1 contract under
 20 paragraph (2)(A) for purposes of determining the inclu-
 21 sion of such distribution under section 72” and inserting
 22 “all amounts in all individual retirement plans of the indi-
 23 vidual were distributed during such taxable year and all
 24 such plans were treated as 1 contract for purposes of de-

1 terminating under section 72 the aggregate amount which
 2 would have been so includible”.

3 (b) AMENDMENT RELATED TO SECTION 1203 OF
 4 THE ACT.—Subsection (d) of section 1366 is amended by
 5 adding at the end the following new paragraph:

6 “(4) APPLICATION OF LIMITATION ON CHARITABLE CONTRIBUTIONS.—In the case of any charitable contribution of property to which the second sentence of section 1367(a)(2) applies, paragraph (1) shall not apply to the extent of the excess (if any) of—

12 “(A) the shareholder’s pro rata share of
 13 such contribution, over

14 “(B) the shareholder’s pro rata share of
 15 the adjusted basis of such property.”.

16 (c) AMENDMENT RELATED TO SECTION 1215 OF
 17 THE ACT.—Subclause (I) of section 170(e)(7)(D)(i) is
 18 amended by striking “related” and inserting “substantial
 19 and related”.

20 (d) AMENDMENTS RELATED TO SECTION 1218 OF
 21 THE ACT.—

22 (1) Section 2055 is amended by striking subsection (g) and by redesignating subsection (h) as subsection (g).

1 (2) Subsection (e) of section 2522 is amend-
2 ed—

3 (A) by striking paragraphs (2) and (4),

4 (B) by redesignating paragraph (3) as
5 paragraph (2), and

6 (C) by adding at the end of paragraph (2),
7 as so redesignated, the following new subpara-
8 graph:

9 “(C) INITIAL FRACTIONAL CONTRIBU-
10 TION.—For purposes of this paragraph, the
11 term ‘initial fractional contribution’ means,
12 with respect to any donor, the first gift of an
13 undivided portion of the donor’s entire interest
14 in any tangible personal property for which a
15 deduction is allowed under subsection (a) or
16 (b).”.

17 (e) AMENDMENTS RELATED TO SECTION 1219 OF
18 THE ACT.—

19 (1) Paragraph (2) of section 6695A(a) is
20 amended by inserting “a substantial estate or gift
21 tax valuation understatement (within the meaning of
22 section 6662(g)),” before “or a gross valuation
23 misstatement”.

1 (2) Paragraph (1) of section 6696(d) is amend-
 2 ed by striking “or under section 6695” and inserting
 3 “, section 6695, or 6695A”.

4 (f) AMENDMENT RELATED TO SECTION 1221 OF THE
 5 ACT.—Subparagraph (A) of section 4940(c)(4) is amend-
 6 ed to read as follows:

7 “(A) There shall not be taken into account
 8 any gain or loss from the sale or other disposi-
 9 tion of property to the extent that such gain or
 10 loss is taken into account for purposes of com-
 11 puting the tax imposed by section 511.”.

12 (g) AMENDMENT RELATED TO SECTION 1225 OF
 13 THE ACT.—

14 (1) Subsection (b) of section 6104 is amend-
 15 ed—

16 (A) by striking “INFORMATION” in the
 17 heading, and

18 (B) by adding at the end the following:

19 “Any annual return which is filed under section
 20 6011 by an organization described in section
 21 501(c)(3) and which relates to any tax imposed
 22 by section 511 (relating to imposition of tax on
 23 unrelated business income of charitable, etc.,
 24 organizations) shall be treated for purposes of

1 this subsection in the same manner as if fur-
 2 nished under section 6033.”.

3 (2) Clause (ii) of section 6104(d)(1)(A) is
 4 amended to read as follows:

5 “(ii) any annual return which is filed
 6 under section 6011 by an organization de-
 7 scribed in section 501(c)(3) and which re-
 8 lates to any tax imposed by section 511
 9 (relating to imposition of tax on unrelated
 10 business income of charitable, etc., organi-
 11 zations),”.

12 (3) Paragraph (2) of section 6104(d) is amend-
 13 ed by striking “section 6033” and inserting “section
 14 6011 or 6033”.

15 (h) AMENDMENT RELATED TO SECTION 1231 OF
 16 THE ACT.—Subsection (b) of section 4962 is amended by
 17 striking “or D” and inserting “D, or G”.

18 (i) AMENDMENT RELATED TO SECTION 1242 OF THE
 19 ACT.—

20 (1) Subclause (II) of section 4958(c)(3)(A)(i) is
 21 amended by striking “paragraph (1), (2), or (4) of
 22 section 509(a)” and inserting “subparagraph
 23 (C)(ii)”.

24 (2) Clause (ii) of section 4958(c)(3)(C) is
 25 amended to read as follows:

1 “(ii) EXCEPTION.—Such term shall
2 not include—

3 “(I) any organization described
4 in paragraph (1), (2), or (4) of section
5 509(a), and

6 “(II) any organization which is
7 treated as described in such para-
8 graph (2) by reason of the last sen-
9 tence of section 509(a) and which is a
10 supported organization (as defined in
11 section 509(f)(3)) of the organization
12 to which subparagraph (A) applies.”.

13 (j) EFFECTIVE DATE.—The amendments made by
14 this section shall take effect as if included in the provisions
15 of the Pension Protection Act of 2006 to which they re-
16 late.

17 **SEC. 4. AMENDMENTS RELATED TO THE TAX INCREASE**
18 **PREVENTION AND RECONCILIATION ACT OF**
19 **2005.**

20 (a) AMENDMENTS RELATED TO SECTION 103 OF
21 THE ACT.—Paragraph (6) of section 954(c) is amended
22 by redesignating subparagraph (B) as subparagraph (C)
23 and inserting after subparagraph (A) the following new
24 subparagraph:

1 “(B) EXCEPTION.—Subparagraph (A)
 2 shall not apply in the case of any interest, rent,
 3 or royalty to the extent such interest, rent, or
 4 royalty creates (or increases) a deficit which
 5 under section 952(c) may reduce the subpart F
 6 income of the payor or another controlled for-
 7 eign corporation.”.

8 (b) AMENDMENTS RELATED TO SECTION 202 OF
 9 THE ACT.—

10 (1) Subparagraph (A) of section 355(b)(2) is
 11 amended to read as follows:

12 “(A) it is engaged in the active conduct of
 13 a trade or business,”.

14 (2) Paragraph (3) of section 355(b) is amended
 15 to read as follows:

16 “(3) SPECIAL RULES FOR DETERMINING AC-
 17 TIVE CONDUCT IN THE CASE OF AFFILIATED
 18 GROUPS.—

19 “(A) IN GENERAL.—For purposes of deter-
 20 mining whether a corporation meets the re-
 21 quirements of paragraph (2)(A), all members of
 22 such corporation’s separate affiliated group
 23 shall be treated as one corporation.

24 “(B) SEPARATE AFFILIATED GROUP.—For
 25 purposes of this paragraph, the term ‘separate

1 affiliated group’ means, with respect to any cor-
2 poration, the affiliated group which would be
3 determined under section 1504(a) if such cor-
4 poration were the common parent and section
5 1504(b) did not apply.

6 “(C) TREATMENT OF TRADE OR BUSINESS
7 CONDUCTED BY ACQUIRED MEMBER.—If a cor-
8 poration became a member of a separate affili-
9 ated group as a result of one or more trans-
10 actions in which gain or loss was recognized in
11 whole or in part, any trade or business con-
12 ducted by such corporation (at the time that
13 such corporation became such a member) shall
14 be treated for purposes of paragraph (2) as ac-
15 quired in a transaction in which gain or loss
16 was recognized in whole or in part.

17 “(D) REGULATIONS.—The Secretary shall
18 prescribe such regulations as are necessary or
19 appropriate to carry out the purposes of this
20 paragraph, including regulations which provide
21 for the proper application of subparagraphs
22 (B), (C), and (D) of paragraph (2), and modify
23 the application of subsection (a)(3)(B), in con-
24 nection with the application of this para-
25 graph.”.

1 (3) The Internal Revenue Code of 1986 shall be
 2 applied and administered as if the amendments
 3 made by section 202 of the Tax Increase Prevention
 4 and Reconciliation Act of 2005 and by section 410
 5 of division A of the Tax Relief and Health Care Act
 6 of 2006 had never been enacted.

7 (c) AMENDMENT RELATED TO SECTION 515 OF THE
 8 ACT.—Subsection (f) of section 911 is amended to read
 9 as follows:

10 “(f) DETERMINATION OF TAX LIABILITY.—

11 “(1) IN GENERAL.—If, for any taxable year,
 12 any amount is excluded from gross income of a tax-
 13 payer under subsection (a), then, notwithstanding
 14 sections 1 and 55—

15 “(A) if such taxpayer has taxable income
 16 for such taxable year, the tax imposed by sec-
 17 tion 1 for such taxable year shall be equal to
 18 the excess (if any) of—

19 “(i) the tax which would be imposed
 20 by section 1 for such taxable year if the
 21 taxpayer’s taxable income were increased
 22 by the amount excluded under subsection
 23 (a) for such taxable year, over

24 “(ii) the tax which would be imposed
 25 by section 1 for such taxable year if the

1 taxpayer's taxable income were equal to
2 the amount excluded under subsection (a)
3 for such taxable year, and

4 “(B) if such taxpayer has a taxable excess
5 (as defined in section 55(b)(1)(A)(ii)) for such
6 taxable year, the amount determined under the
7 first sentence of section 55(b)(1)(A)(i) for such
8 taxable year shall be equal to the excess (if any)
9 of—

10 “(i) the amount which would be deter-
11 mined under such sentence for such tax-
12 able year (subject to the limitation of sec-
13 tion 55(b)(3)) if the taxpayer's taxable ex-
14 cess (as so defined) were increased by the
15 amount excluded under subsection (a) for
16 such taxable year, over

17 “(ii) the amount which would be de-
18 termined under such sentence for such tax-
19 able year (subject to the limitation of sec-
20 tion 55(b)(3)) if the taxpayer's taxable ex-
21 cess (as so defined) were equal to the
22 amount excluded under subsection (a) for
23 such taxable year.

24 “(2) TREATMENT OF ORDINARY LOSS.—

1 “(A) REGULAR TAX.—If, for any taxable
 2 year, a taxpayer’s net capital gain exceeds tax-
 3 able income, in determining the tax under para-
 4 graph (1)(A)(ii)—

5 “(i) there shall be treated as adjusted
 6 net capital gain the lesser of—

7 “(I) the adjusted net capital gain
 8 (determined without regard to this
 9 paragraph), or

10 “(II) the amount of such excess,

11 “(ii) there shall be treated as
 12 unrecaptured section 1250 gain the lesser
 13 of—

14 “(I) the unrecaptured section
 15 1250 gain (determined without regard
 16 to this paragraph), or

17 “(II) the amount of such excess
 18 reduced by adjusted net capital gain
 19 (as determined under clause (i)), and

20 “(iii) there shall be treated as 28-per-
 21 cent rate gain the amount of such excess
 22 reduced by the sum of—

23 “(I) the amount treated as ad-
 24 justed net capital gain under clause
 25 (i), and

1 “(II) the amount treated as
 2 unrecaptured section 1250 gain under
 3 clause (ii).

4 “(B) ALTERNATIVE MINIMUM TAX.—The
 5 rules of subparagraph (A) shall apply for pur-
 6 poses of determining the amount under para-
 7 graph (1)(B)(ii), except that such subparagraph
 8 shall be applied by substituting ‘taxable excess
 9 (as defined in section 55(b)(1)(A)(ii))’ for ‘tax-
 10 able income’.”.

11 (d) EFFECTIVE DATE.—

12 (1) IN GENERAL.—Except as otherwise pro-
 13 vided in this subsection, the amendments made by
 14 this section shall take effect as if included in the
 15 provisions of the Tax Increase Prevention and Rec-
 16 onciliation Act of 2005 to which they relate.

17 (2) MODIFICATION OF ACTIVE BUSINESS DEFINI-
 18 TION UNDER SECTION 355.—

19 (A) IN GENERAL.—Except as otherwise
 20 provided in this paragraph, the amendments
 21 made by subsection (b) shall apply to distribu-
 22 tions made after May 17, 2006.

23 (B) TRANSITION RULE.—The amendments
 24 made by subsection (b) shall not apply to any

1 distribution pursuant to a transaction which
2 is—

3 (i) made pursuant to an agreement
4 which was binding on May 17, 2006, and
5 at all times thereafter,

6 (ii) described in a ruling request sub-
7 mitted to the Internal Revenue Service on
8 or before such date, or

9 (iii) described on or before such date
10 in a public announcement or in a filing
11 with the Securities and Exchange Commis-
12 sion.

13 (C) ELECTION OUT OF TRANSITION
14 RULE.—Subparagraph (B) shall not apply if
15 the distributing corporation elects not to have
16 such subparagraph apply to distributions of
17 such corporation. Any such election, once made,
18 shall be irrevocable.

19 (D) SPECIAL RULE FOR CERTAIN PRE-EN-
20 ACTMENT DISTRIBUTIONS.—For purposes of
21 determining the continued qualification under
22 section 355(b)(2)(A) of the Internal Revenue
23 Code of 1986 of distributions made on or before
24 May 17, 2006, as a result of an acquisition, dis-
25 position, or other restructuring after such date,

1 such distribution shall be treated as made on
 2 the date of such acquisition, disposition, or re-
 3 structuring for purposes of applying subpara-
 4 graphs (A) through (C) of this paragraph. The
 5 preceding sentence shall only apply with respect
 6 to the corporation that undertakes such acquisi-
 7 tion, disposition, or other restructuring, and
 8 only if such application results in continued
 9 qualification under section 355(b)(2)(A) of such
 10 Code.

11 (3) AMENDMENT RELATED TO SECTION 515 OF
 12 THE ACT.—The amendment made by subsection (c)
 13 shall apply to taxable years beginning after Decem-
 14 ber 31, 2006.

15 **SEC. 5. AMENDMENTS RELATED TO THE SAFE, ACCOUNT-**
 16 **ABLE, FLEXIBLE, EFFICIENT TRANSPOR-**
 17 **TATION EQUITY ACT: A LEGACY FOR USERS.**

18 (a) AMENDMENTS RELATED TO SECTION 11113 OF
 19 THE ACT.—

20 (1) Paragraph (3) of section 6427(i) is amend-
 21 ed—

22 (A) by inserting “or under subsection
 23 (e)(2) by any person with respect to an alter-
 24 native fuel (as defined in section 6426(d)(2))”
 25 after “section 6426” in subparagraph (A),

1 (B) by inserting “or (e)(2)” after “sub-
 2 section (e)(1)” in subparagraphs (A)(i) and
 3 (B), and

4 (C) by striking “ALCOHOL FUEL AND BIO-
 5 DIESEL MIXTURE CREDIT” and inserting “MIX-
 6 TURE CREDITS AND THE ALTERNATIVE FUEL
 7 CREDIT” in the heading thereof.

8 (2) Subparagraph (F) of section 6426(d)(2) is
 9 amended by striking “hydrocarbons” and inserting
 10 “fuel”.

11 (3) Section 6426 is amended by adding at the
 12 end the following new subsection:

13 “(h) DENIAL OF DOUBLE BENEFIT.—No credit shall
 14 be determined under subsection (d) or (e) with respect to
 15 any fuel with respect to which credit may be determined
 16 under subsection (b) or (c) or under section 40 or 40A.”.

17 (b) EFFECTIVE DATE.—The amendments made by
 18 this section shall take effect as if included in the provisions
 19 of the SAFETEA-LU to which they relate.

20 **SEC. 6. AMENDMENTS RELATED TO THE ENERGY POLICY**
 21 **ACT OF 2005.**

22 (a) AMENDMENT RELATED TO SECTION 1306 OF
 23 THE ACT.—Paragraph (2) of section 45J(b) is amended
 24 to read as follows:

1 “(2) AMOUNT OF NATIONAL LIMITATION.—The
 2 aggregate amount of national megawatt capacity
 3 limitation allocated by the Secretary under para-
 4 graph (3) shall not exceed 6,000 megawatts.”.

5 (b) AMENDMENTS RELATED TO SECTION 1342 OF
 6 THE ACT.—

7 (1) So much of subsection (b) of section 30C as
 8 precedes paragraph (1) thereof is amended to read
 9 as follows:

10 “(b) LIMITATION.—The credit allowed under sub-
 11 section (a) with respect to all qualified alternative fuel ve-
 12 hicle refueling property placed in service by the taxpayer
 13 during the taxable year at a location shall not exceed—
 14 ”.

15 (2) Subsection (c) of section 30C is amended to
 16 read as follows:

17 “(c) QUALIFIED ALTERNATIVE FUEL VEHICLE RE-
 18 FUELING PROPERTY.—For purposes of this section, the
 19 term ‘qualified alternative fuel vehicle refueling property’
 20 has the same meaning as the term ‘qualified clean-fuel ve-
 21 hicle refueling property’ would have under section 179A
 22 if—

23 “(1) paragraph (1) of section 179A(d) did not
 24 apply to property installed on property which is used

1 as the principal residence (within the meaning of
2 section 121) of the taxpayer, and

3 “(2) only the following were treated as clean-
4 burning fuels for purposes of section 179A(d):

5 “(A) Any fuel at least 85 percent of the
6 volume of which consists of one or more of the
7 following: ethanol, natural gas, compressed nat-
8 ural gas, liquified natural gas, liquefied petro-
9 leum gas, or hydrogen.

10 “(B) Any mixture—

11 “(i) which consists of two or more of
12 the following: biodiesel (as defined in sec-
13 tion 40A(d)(1)), diesel fuel (as defined in
14 section 4083(a)(3)), or kerosene, and

15 “(ii) at least 20 percent of the volume
16 of which consists of biodiesel (as so de-
17 fined) determined without regard to any
18 kerosene in such mixture.”.

19 (c) AMENDMENTS RELATED TO SECTION 1351 OF
20 THE ACT.—

21 (1) Paragraph (3) of section 41(a) is amended
22 by inserting “for energy research” before the period
23 at the end.

1 (2) Paragraph (6) of section 41(f) is amended
 2 by adding at the end the following new subpara-
 3 graph:

4 “(E) ENERGY RESEARCH.—The term ‘en-
 5 ergy research’ does not include any research
 6 which is not qualified research.”.

7 (d) AMENDMENTS RELATED TO SECTION 1362 OF
 8 THE ACT.—

9 (1)(A) Paragraph (1) of section 4041(d) is
 10 amended by adding at the end the following new
 11 sentence: “No tax shall be imposed under the pre-
 12 ceding sentence on the sale or use of any liquid if
 13 tax was imposed with respect to such liquid under
 14 section 4081 at the Leaking Underground Storage
 15 Tank Trust Fund financing rate.”.

16 (B) Paragraph (3) of section 4042(b) is amend-
 17 ed to read as follows:

18 “(3) EXCEPTION FOR FUEL ON WHICH LEAK-
 19 ING UNDERGROUND STORAGE TANK TRUST FUND FI-
 20 NANCING RATE SEPARATELY IMPOSED.—The Leak-
 21 ing Underground Storage Tank Trust Fund financ-
 22 ing rate under paragraph (2)(B) shall not apply to
 23 the use of any fuel if tax was imposed with respect
 24 to such fuel under section 4041(d) or 4081 at the

1 Leaking Underground Storage Tank Trust Fund fi-
2 nancing rate.”.

3 (C) Notwithstanding section 6430 of the Inter-
4 nal Revenue Code of 1986, a refund, credit, or pay-
5 ment may be made under subchapter B of chapter
6 65 of such Code for taxes imposed with respect to
7 any liquid after September 30, 2005, and before the
8 date of the enactment of this Act under section
9 4041(d)(1) or 4042 of such Code at the Leaking
10 Underground Storage Tank Trust Fund financing
11 rate to the extent that tax was imposed with respect
12 to such liquid under section 4081 at the Leaking
13 Underground Storage Tank Trust Fund financing
14 rate.

15 (2)(A) Paragraph (5) of section 4041(d) is
16 amended—

17 (i) by striking “(other than with respect to
18 any sale for export under paragraph (3) there-
19 of)”, and

20 (ii) by adding at the end the following new
21 sentence: “The preceding sentence shall not
22 apply with respect to subsection (g)(3) and so
23 much of subsection (g)(1) as relates to vessels
24 (within the meaning of section 4221(d)(3)) em-

1 employed in foreign trade or trade between the
2 United States and any of its possessions.”.

3 (B) Section 4082 is amended—

4 (i) by striking “(other than such tax at the
5 Leaking Underground Storage Tank Trust
6 Fund financing rate imposed in all cases other
7 than for export)” in subsection (a), and

8 (ii) by redesignating subsections (f) and
9 (g) as subsections (g) and (h), respectively, and
10 by inserting after subsection (e) the following
11 new subsection:

12 “(f) EXCEPTION FOR LEAKING UNDERGROUND
13 STORAGE TANK TRUST FUND FINANCING RATE.—

14 “(1) IN GENERAL.—Subsection (a) shall not
15 apply to the tax imposed under section 4081 at the
16 Leaking Underground Storage Tank Trust Fund fi-
17 nancing rate.

18 “(2) EXCEPTION FOR EXPORT, ETC.—Para-
19 graph (1) shall not apply with respect to any fuel if
20 the Secretary determines that such fuel is destined
21 for export or for use by the purchaser as supplies for
22 vessels (within the meaning of section 4221(d)(3))
23 employed in foreign trade or trade between the
24 United States and any of its possessions.”.

1 (C) Subsection (e) of section 4082 is amend-
2 ed—

3 (i) by striking “an aircraft, the rate of tax
4 under section 4081(a)(2)(A)(iii) shall be zero.”
5 and inserting “an aircraft—

6 “(1) the rate of tax under section
7 4081(a)(2)(A)(iii) shall be zero, and

8 “(2) if such aircraft is employed in foreign
9 trade or trade between the United States and any of
10 its possessions, the increase in such rate under sec-
11 tion 4081(a)(2)(B) shall be zero.”; and

12 (ii) by moving the last sentence flush with
13 the margin of such subsection (following the
14 paragraph (2) added by clause (i)).

15 (D) Section 6430 is amended to read as follows:

16 **“SEC. 6430. TREATMENT OF TAX IMPOSED AT LEAKING UN-**
17 **DERGROUND STORAGE TANK TRUST FUND**
18 **FINANCING RATE.**

19 “No refunds, credits, or payments shall be made
20 under this subchapter for any tax imposed at the Leaking
21 Underground Storage Tank Trust Fund financing rate,
22 except in the case of fuels—

23 “(1) which are exempt from tax under section
24 4081(a) by reason of section 4082(f)(2),

1 “(2) which are exempt from tax under section
2 4041(d) by reason of the last sentence of paragraph
3 (5) thereof, or

4 “(3) with respect to which the rate increase
5 under section 4081(a)(2)(B) is zero by reason of
6 section 4082(e)(2).”.

7 (3) Paragraph (5) of section 4041(d) is amend-
8 ed by inserting “(b)(1)(A),” after “subsections”.

9 (e) EFFECTIVE DATE.—

10 (1) IN GENERAL.—Except as otherwise pro-
11 vided in this subsection, the amendments made by
12 this section shall take effect as if included in the
13 provisions of the Energy Policy Act of 2005 to which
14 they relate.

15 (2) NONAPPLICATION OF EXEMPTION FOR OFF-
16 HIGHWAY BUSINESS USE.—The amendment made by
17 subsection (d)(3) shall apply to fuel sold for use or
18 used after the date of the enactment of this Act.

19 (3) AMENDMENT MADE BY THE SAFETEA-
20 LU.—The amendment made by subsection
21 (d)(2)(C)(ii) shall take effect as if included in sec-
22 tion 11161 of the SAFETEA-LU.

1 **SEC. 7. AMENDMENTS RELATED TO THE AMERICAN JOBS**
 2 **CREATION ACT OF 2004.**

3 (a) AMENDMENT RELATED TO SECTION 248 OF THE
 4 ACT.—Subsection (a) of section 1355 is amended by add-
 5 ing at the end the following new paragraph:

6 “(8) PUERTO RICO TREATED AS PART OF DO-
 7 MESTIC TRADE.—For purposes of paragraphs (6)
 8 and (7), Puerto Rico shall be treated as a place in
 9 the United States and not as a foreign place.”.

10 (b) AMENDMENTS RELATED TO SECTION 339 OF
 11 THE ACT.—

12 (1)(A) Section 45H is amended by striking sub-
 13 section (d) and by redesignating subsections (e), (f),
 14 and (g) as subsections (d), (e), and (f), respectively.

15 (B) Subsection (d) of section 280C is amended
 16 to read as follows:

17 “(d) CREDIT FOR LOW SULFUR DIESEL FUEL PRO-
 18 Duction.—The deductions otherwise allowed under this
 19 chapter for the taxable year shall be reduced by the
 20 amount of the credit determined for the taxable year
 21 under section 45H(a).”.

22 (C) Subsection (a) of section 1016 is amended
 23 by striking paragraph (31) and by redesignating
 24 paragraphs (32) through (37) as paragraphs (31)
 25 through (36), respectively.

1 (2)(A) Section 45H, as amended by paragraph
 2 (1), is amended by adding at the end the following
 3 new subsection:

4 “(g) ELECTION TO NOT TAKE CREDIT.—No credit
 5 shall be determined under subsection (a) for the taxable
 6 year if the taxpayer elects not to have subsection (a) apply
 7 to such taxable year.”.

8 (B) Subsection (m) of section 6501 is amended
 9 by inserting “45H(g),” after “45C(d)(4),”.

10 (3)(A) Subsections (b)(1)(A), (c)(2), (e)(1), and
 11 (e)(2) of section 45H (as amended by paragraph
 12 (1)) and section 179B(a) are each amended by strik-
 13 ing “qualified capital costs” and inserting “qualified
 14 costs”.

15 (B) The heading of paragraph (2) of section
 16 45H(c) is amended by striking “CAPITAL”.

17 (C) Subsection (a) of section 179B is amended
 18 by inserting “and which are properly chargeable to
 19 capital account” before the period at the end.

20 (c) AMENDMENTS RELATED TO SECTION 710 OF
 21 THE ACT.—

22 (1) Clause (ii) of section 45(c)(3)(A) is amend-
 23 ed by striking “which is segregated from other waste
 24 materials and”.

1 (2) Subparagraph (B) of section 45(d)(2) is
 2 amended by inserting “and” at the end of clause (i),
 3 by striking clause (ii), and by redesignating clause
 4 (iii) as clause (ii).

5 (d) AMENDMENTS RELATED TO SECTION 848 OF
 6 THE ACT.—

7 (1) Paragraph (2) of section 470(c) is amended
 8 to read as follows:

9 “(2) TAX-EXEMPT USE PROPERTY.—

10 “(A) IN GENERAL.—The term ‘tax-exempt
 11 use property’ has the meaning given to such
 12 term by section 168(h), except that such section
 13 shall be applied—

14 “(i) without regard to paragraphs
 15 (1)(C) and (3) thereof, and

16 “(ii) as if section 197 intangible prop-
 17 erty (as defined in section 197), and prop-
 18 erty described in paragraph (1)(B) or (2)
 19 of section 167(f), were tangible property.

20 “(B) EXCEPTION FOR PARTNERSHIPS.—

21 Such term shall not include any property which
 22 would (but for this subparagraph) be tax-ex-
 23 empt use property solely by reason of section
 24 168(h)(6).

1 “(C) CROSS REFERENCE.—For treatment
2 of partnerships as leases to which section
3 168(h) applies, see section 7701(e).”.

4 (2) Subparagraph (A) of section 470(d)(1) is
5 amended by striking “(at any time during the lease
6 term)” and inserting “(at all times during the lease
7 term)”.

8 (e) AMENDMENTS RELATED TO SECTION 888 OF
9 THE ACT.—

10 (1) Subparagraph (A) of section 1092(a)(2) is
11 amended by striking “and” at the end of clause (ii),
12 by redesignating clause (iii) as clause (iv), and by in-
13 serting after clause (ii) the following new clause:

14 “(iii) if the application of clause (ii)
15 does not result in an increase in the basis
16 of any offsetting position in the identified
17 straddle, the basis of each of the offsetting
18 positions in the identified straddle shall be
19 increased in a manner which—

20 “(I) is reasonable, consistent
21 with the purposes of this paragraph,
22 and consistently applied by the tax-
23 payer, and

24 “(II) results in an aggregate in-
25 crease in the basis of such offsetting

1 positions which is equal to the loss de-
 2 scribed in clause (ii), and”.

3 (2)(A) Subparagraph (B) of section 1092(a)(2)
 4 is amended by adding at the end the following flush
 5 sentence:

6 “A straddle shall be treated as clearly identified
 7 for purposes of clause (i) only if such identifica-
 8 tion includes an identification of the positions
 9 in the straddle which are offsetting with respect
 10 other positions in the straddle.”.

11 (B) Subparagraph (A) of section 1092(a)(2) is
 12 amended—

13 (i) by striking “identified positions” in
 14 clause (i) and inserting “positions”,

15 (ii) by striking “identified position” in
 16 clause (ii) and inserting “position”, and

17 (iii) by striking “identified offsetting posi-
 18 tions” in clause (ii) and inserting “offsetting
 19 positions”.

20 (C) Subparagraph (B) of section 1092(a)(3) is
 21 amended by striking “identified offsetting position”
 22 and inserting “offsetting position”.

23 (3) Paragraph (2) of section 1092(a) is amend-
 24 ed by redesignating subparagraph (C) as subpara-

graph (D) and inserting after subparagraph (B) the following new subparagraph:

“(C) APPLICATION TO LIABILITIES AND OBLIGATIONS.—Except as otherwise provided by the Secretary, rules similar to the rules of clauses (ii) and (iii) of subparagraph (A) shall apply for purposes of this paragraph with respect to any position which is, or has been, a liability or obligation.”.

(4) Subparagraph (D) of section 1092(a)(2), as redesignated by paragraph (3), is amended by inserting “the rules for the application of this section to a position which is or has been a liability or obligation, methods of loss allocation which satisfy the requirements of subparagraph (A)(iii),” before “and the ordering rules”.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which they relate.

(2) IDENTIFICATION REQUIREMENT OF AMENDMENT RELATED TO SECTION 888 OF THE AMERICAN JOBS CREATION ACT OF 2004.—The amendment

1 made by subsection (d)(2)(A) shall apply to strad-
 2 dles acquired after the date of the enactment of this
 3 Act .

4 **SEC. 8. AMENDMENT RELATED TO THE JOBS AND GROWTH**
 5 **TAX RELIEF RECONCILIATION ACT OF 2003.**

6 (a) AMENDMENT RELATED TO SECTION 302 OF THE
 7 ACT.—Clause (ii) of section 1(h)(11)(B) is amended by
 8 striking “and” at the end of subclause (II), by striking
 9 the period at the end of subclause (III) and inserting “,
 10 and”, and by adding at the end the following new sub-
 11 clause:

12 “(IV) any dividend received from
 13 a corporation which is a DISC or
 14 former DISC (as defined in section
 15 992(a)) to the extent such dividend is
 16 paid out of the corporation’s accumu-
 17 lated DISC income or is a deemed
 18 distribution pursuant to section
 19 995(b)(1).”.

20 (b) EFFECTIVE DATE.—The amendment made by
 21 this section shall apply to dividends received after Decem-
 22 ber 31, 2007, in taxable years ending after such date.

1 **SEC. 9. AMENDMENTS RELATED TO THE ECONOMIC**
2 **GROWTH AND TAX RELIEF RECONCILIATION**
3 **ACT OF 2001.**

4 (a) AMENDMENTS RELATED TO SECTION 617 OF
5 THE ACT.—

6 (1) Subclause (II) of section 402(g)(7)(A)(ii) is
7 amended by striking “for prior taxable years” and
8 inserting “permitted for prior taxable years by rea-
9 son of this paragraph”.

10 (2) Subparagraph (A) of section 3121(v)(1) is
11 amended by inserting “or consisting of designated
12 Roth contributions (as defined in section 402A(c))”
13 before the comma at the end.

14 (b) EFFECTIVE DATE.—The amendments made by
15 this section shall take effect as if included in the provisions
16 of the Economic Growth and Tax Relief Reconciliation Act
17 of 2001 to which they relate.

18 **SEC. 10. AMENDMENTS RELATED TO THE TAX RELIEF EX-**
19 **TENSION ACT OF 1999.**

20 (a) AMENDMENT RELATED TO SECTION 507 OF THE
21 ACT.—Clause (i) of section 45(e)(7)(A) is amended by
22 striking “placed in service by the taxpayer” and inserting
23 “originally placed in service”.

24 (b) AMENDMENT RELATED TO SECTION 542 OF THE
25 ACT.—Clause (ii) of section 856(d)(9)(D) is amended to
26 read as follows:

1 “(ii) LODGING FACILITY.—The term
 2 ‘lodging facility’ means a—
 3 “(I) hotel,
 4 “(II) motel, or
 5 “(III) other establishment more
 6 than one-half of the dwelling units in
 7 which are used on a transient basis.”.

8 (c) EFFECTIVE DATE.—The amendments made by
 9 this section shall take effect as if included in the provisions
 10 of the Tax Relief Extension Act of 1999 to which they
 11 relate.

12 **SEC. 11. AMENDMENT RELATED TO THE INTERNAL REV-**
 13 **ENUE SERVICE RESTRUCTURING AND RE-**
 14 **FORM ACT OF 1998.**

15 (a) AMENDMENT RELATED TO SECTION 3509 OF
 16 THE ACT.—Paragraph (3) of section 6110(i) is amended
 17 by inserting “and related background file documents”
 18 after “Chief Counsel advice” in the matter preceding sub-
 19 paragraph (A).

20 (b) EFFECTIVE DATE.—The amendment made by
 21 this section shall take effect as if included in the provision
 22 of the Internal Revenue Service Restructuring and Reform
 23 Act of 1998 to which it relates.

24 **SEC. 12. CLERICAL CORRECTIONS.**

25 (a) IN GENERAL.—

1 (1) Paragraph (5) of section 21(e) is amended
 2 by striking “section 152(e)(3)(A)” in the flush mat-
 3 ter after subparagraph (B) and inserting “section
 4 152(e)(4)(A)”.

5 (2) Paragraph (3) of section 25C(c) is amended
 6 by striking “section 3280” and inserting “part
 7 3280”.

8 (3) Paragraph (2) of section 26(b) is amended
 9 by redesignating subparagraphs (S) and (T) as sub-
 10 paragraphs (U) and (V), respectively, and by insert-
 11 ing after subparagraph (R) the following new sub-
 12 paragraphs:

13 “(S) sections 106(e)(3)(A)(ii),
 14 223(b)(8)(B)(i)(II), and 408(d)(9)(D)(i)(II)
 15 (relating to certain failures to maintain high de-
 16 ductible health plan coverage),

17 “(T) section 170(o)(3)(B) (relating to re-
 18 capture of certain deductions for fractional
 19 gifts),”.

20 (4) Subsection (a) of section 34 is amended—

21 (A) in paragraph (1), by striking “with re-
 22 spect to gasoline used during the taxable year
 23 on a farm for farming purposes”,

24 (B) in paragraph (2), by striking “with re-
 25 spect to gasoline used during the taxable year

1 (A) otherwise than as a fuel in a highway vehi-
 2 cle or (B) in vehicles while engaged in fur-
 3 nishing certain public passenger land transpor-
 4 tation service”, and

5 (C) in paragraph (3), by striking “with re-
 6 spect to fuels used for nontaxable purposes or
 7 resold during the taxable year”.

8 (5) Paragraph (2) of section 35(d) is amend-
 9 ed—

10 (A) by striking “paragraph (2) or (4) of”,
 11 and

12 (B) by striking “(within the meaning of
 13 section 152(e)(1))” and inserting “(as defined
 14 in section 152(e)(4)(A))”.

15 (6) Subsection (b) of section 38 is amended—

16 (A) by striking “and” each place it ap-
 17 pears at the end of any paragraph,

18 (B) by striking “plus” each place it ap-
 19 pears at the end of any paragraph, and

20 (C) by inserting “plus” at the end of para-
 21 graph (30).

22 (7) Paragraphs (2) and (3) of section 45L(c)
 23 are each amended by striking “section 3280” and
 24 inserting “part 3280”.

1 (8) Paragraphs (1)(B) and (2)(B) of section
2 48(c) are each amended by striking “paragraph (1)”
3 and inserting “subsection (a)”.

4 (9) Clause (ii) of section 48A(d)(4)(B) is
5 amended by striking “subsection” both places it ap-
6 pears.

7 (10)(A) Paragraph (9) of section 121(d) is
8 amended by adding at the end the following new
9 subparagraph:

10 “(E) TERMINATION WITH RESPECT TO EM-
11 PLOYEES OF INTELLIGENCE COMMUNITY.—
12 Clause (iii) of subparagraph (A) shall not apply
13 with respect to any sale or exchange after De-
14 cember 31, 2010.”.

15 (B) Subsection (e) of section 417 of division A
16 of the Tax Relief and Health Care Act of 2006 is
17 amended by striking “and before January 1, 2011”.

18 (11) The last sentence of section 125(b)(2) is
19 amended by striking “last sentence” and inserting
20 “second sentence”.

21 (12) Subclause (II) of section 167(g)(8)(C)(ii)
22 is amended by striking “section 263A(j)(2)” and in-
23 serting “section 263A(i)(2)”.

1 (13)(A) Clause (vii) of section 170(b)(1)(A) is
 2 amended by striking “subparagraph (E)” and insert-
 3 ing “subparagraph (F)”.

4 (B) Clause (ii) of section 170(e)(1)(B) is
 5 amended by striking “subsection (b)(1)(E)” and in-
 6 serting “subsection (b)(1)(F)”.

7 (C) Clause (i) of section 1400S(a)(2)(A) is
 8 amended by striking “subparagraph (F)” and insert-
 9 ing “subparagraph (G)”.

10 (D) Subparagraph (A) of section 4942(i)(1) is
 11 amended by striking “section 170(b)(1)(E)(ii)” and
 12 inserting “section 170(b)(1)(F)(ii)”.

13 (14) Subclause (II) of section 170(e)(1)(B)(i) is
 14 amended by inserting “, but without regard to
 15 clause (ii) thereof” after “paragraph (7)(C)”.

16 (15)(A) Subparagraph (A) of section 170(o)(1)
 17 and subparagraph (A) of section 2522(e)(1) are
 18 each amended by striking “all interest in the prop-
 19 erty is” and inserting “all interests in the property
 20 are”.

21 (B) Section 170(o)(3)(A)(i), and section
 22 2522(e)(2)(A)(i) (as redesignated by section
 23 3(d)(2)), are each amended—

24 (i) by striking “interest” and inserting “in-
 25 terests”, and

1 (ii) by striking “before” and inserting “on
2 or before”.

3 (16)(A) Subparagraph (C) of section 852(b)(4)
4 is amended to read as follows:

5 “(C) DETERMINATION OF HOLDING PERI-
6 ODS.—For purposes of this paragraph, in deter-
7 mining the period for which the taxpayer has
8 held any share of stock—

9 “(i) the rules of paragraphs (3) and
10 (4) of section 246(c) shall apply, and

11 “(ii) there shall not be taken into ac-
12 count any day which is more than 6
13 months after the date on which such share
14 becomes ex-dividend.”.

15 (B) Subparagraph (B) of section 857(b)(8) is
16 amended to read as follows:

17 “(B) DETERMINATION OF HOLDING PERI-
18 ODS.—For purposes of this paragraph, in deter-
19 mining the period for which the taxpayer has
20 held any share of stock or beneficial interest—

21 “(i) the rules of paragraphs (3) and
22 (4) of section 246(c) shall apply, and

23 “(ii) there shall not be taken into ac-
24 count any day which is more than 6

1 months after the date on which such share
 2 or interest becomes ex-dividend.”.

3 (17) Paragraph (2) of section 856(l) is amend-
 4 ed by striking the last sentence and inserting the fol-
 5 lowing: “For purposes of subparagraph (B), securi-
 6 ties described in subsection (m)(2)(A) shall not be
 7 taken into account.”.

8 (18) Subparagraph (F) of section 954(c)(1) is
 9 amended to read as follows:

10 “(F) INCOME FROM NOTIONAL PRINCIPAL
 11 CONTRACTS.—

12 “(i) IN GENERAL.—Net income from
 13 notional principal contracts.

14 “(ii) COORDINATION WITH OTHER
 15 CATEGORIES OF FOREIGN PERSONAL
 16 HOLDING COMPANY INCOME.—Any item of
 17 income, gain, deduction, or loss from a no-
 18 tional principal contract entered into for
 19 purposes of hedging any item described in
 20 any preceding subparagraph shall not be
 21 taken into account for purposes of this
 22 subparagraph but shall be taken into ac-
 23 count under such other subparagraph.”.

1 (19) Paragraph (1) of section 954(c) is amend-
2 ed by redesignating subparagraph (I) as subpara-
3 graph (H).

4 (20) Paragraph (33) of section 1016(a), as re-
5 designated by section 7(b)(1)(C), is amended by
6 striking “section 25C(e)” and inserting “section
7 25C(f)”.

8 (21) Paragraph (36) of section 1016(a), as re-
9 designated by section 7(b)(1)(C), is amended by
10 striking “section 30C(f)” and inserting “section
11 30C(e)(1)”.

12 (22) Subparagraph (G) of section 1260(c)(2) is
13 amended by adding “and” at the end.

14 (23)(A) Section 1297 is amended by striking
15 subsection (d) and by redesignating subsections (e)
16 and (f) as subsections (d) and (e), respectively.

17 (B) Subparagraph (G) of section 1260(c)(2) is
18 amended by striking “subsection (e)” and inserting
19 “subsection (d)”.

20 (C) Subparagraph (B) of section 1298(a)(2) is
21 amended by striking “Section 1297(e)” and insert-
22 ing “Section 1297(d)”.

23 (24) Paragraph (1) of section 1362(f) is
24 amended—

1 (A) by striking “, section
 2 1361(b)(3)(B)(ii), or section 1361(c)(1)(A)(ii)”
 3 and inserting “or section 1361(b)(3)(B)(ii)”,
 4 and

5 (B) by striking “, section 1361(b)(3)(C),
 6 or section 1361(c)(1)(D)(iii)” in subparagraph
 7 (B) and inserting “or section 1361(b)(3)(C)”.

8 (25) Paragraph (2) of section 1400O is amend-
 9 ed by striking “under of” and inserting “under”.
 10 (26) The table of sections for part II of sub-
 11 chapter Y of chapter 1 is amended by adding at the
 12 end the following new item:

“Sec. 1400T. Special rules for mortgage revenue bonds.”.

13 (27) Subsection (b) of section 4082 is amended
 14 to read as follows:

15 “(b) NONTAXABLE USE.—For purposes of this sec-
 16 tion, the term ‘nontaxable use’ means—

17 “(1) any use which is exempt from the tax im-
 18 posed by section 4041(a)(1) other than by reason of
 19 a prior imposition of tax,

20 “(2) any use in a train, and

21 “(3) any use described in section
 22 4041(a)(1)(C)(iii)(II).

23 The term ‘nontaxable use’ does not include the use of ker-
 24 osene in an aircraft and such term shall not include any
 25 use described in section 6421(e)(2)(C).”.

1 (28) Paragraph (4) of section 4101(a) (relating
2 to registration in event of change of ownership) is
3 redesignated as paragraph (5).

4 (29) Paragraph (6) of section 4965(c) is
5 amended by striking “section 4457(e)(1)(A)” and
6 inserting “section 457(e)(1)(A)”.

7 (30) Subpart C of part II of subchapter A of
8 chapter 51 is amended by redesignating section
9 5432 (relating to recordkeeping by wholesale deal-
10 ers) as section 5121.

11 (31) Paragraph (2) of section 5732(c), as re-
12 designated by section 11125(b)(20)(A) of the
13 SAFETEA-LU, is amended by striking “this sub-
14 part” and inserting “this subchapter”.

15 (32) Subsection (b) of section 6046 is amend-
16 ed—

17 (A) by striking “subsection (a)(1)” and in-
18 serting “subsection (a)(1)(A)”, and

19 (B) by striking “paragraph (2) or (3) of
20 subsection (a)” and inserting “subparagraph
21 (B) or (C) of subsection (a)(1)”.

22 (33)(A) Subparagraph (A) of section
23 6103(b)(5) is amended by striking “the Canal
24 Zone,”.

1 (B) Section 7651 is amended by striking para-
 2 graph (4) and by redesignating paragraph (5) as
 3 paragraph (4).

4 (34) Subparagraph (A) of section 6211(b)(4) is
 5 amended by striking “and 34” and inserting “34,
 6 and 35”.

7 (35) Subparagraphs (A) and (B) of section
 8 6230(a)(3) are each amended by striking “section
 9 6013(e)” and inserting “section 6015”.

10 (36) Paragraph (3) of section 6427(e) (relating
 11 to termination), as added by section 11113 of the
 12 SAFETEA-LU, is redesignated as paragraph (5)
 13 and moved after paragraph (4).

14 (37) Clause (ii) of section 6427(l)(4)(A) is
 15 amended by striking “section 4081(a)(2)(iii)” and
 16 inserting “section 4081(a)(2)(A)(iii)”.

17 (38)(A) Section 6427, as amended by section
 18 1343(b)(1) of the Energy Policy Act of 2005, is
 19 amended by striking subsection (p) (relating to gas-
 20 ohol used in noncommercial aviation) and redesign-
 21 ating subsection (q) as subsection (p).

22 (B) The Internal Revenue Code of 1986 shall
 23 be applied and administered as if the amendments
 24 made by paragraph (2) of section 11151(a) of the
 25 SAFETEA-LU had never been enacted.

1 (39) Subparagraph (C) of section 6707A(e)(2)
 2 is amended by striking “section 6662A(e)(2)(C)”
 3 and inserting “section 6662A(e)(2)(B)”.

4 (40)(A) Paragraph (3) of section 9002 is
 5 amended by striking “section 309(a)(1)” and insert-
 6 ing “section 306(a)(1)”.

7 (B) Paragraph (1) of section 9004(a) is amend-
 8 ed by striking “section 320(b)(1)(B)” and inserting
 9 “section 315(b)(1)(B)”.

10 (C) Paragraph (3) of section 9032 is amended
 11 by striking “section 309(a)(1)” and inserting “sec-
 12 tion 306(a)(1)”.

13 (D) Subsection (b) of section 9034 is amended
 14 by striking “section 320(b)(1)(A)” and inserting
 15 “section 315(b)(1)(A)”.

16 (41) Section 9006 is amended by striking
 17 “Comptroller General” each place it appears and in-
 18 serting “Commission”.

19 (42) Subsection (c) of section 9503 is amended
 20 by redesignating paragraph (7) (relating to transfers
 21 from the trust fund for certain aviation fuels taxes)
 22 as paragraph (6).

23 (43) Paragraph (1) of section 1301(g) of the
 24 Energy Policy Act of 2005 is amended by striking
 25 “shall take effect of the date of the enactment” and

1 inserting “shall take effect on the date of the enact-
2 ment”.

3 (44) The Internal Revenue Code of 1986 shall
4 be applied and administered as if the amendments
5 made by section 1(a) of Public Law 109–433 had
6 never been enacted.

7 (b) CLERICAL AMENDMENTS RELATED TO THE TAX
8 RELIEF AND HEALTH CARE ACT OF 2006.—

9 (1) AMENDMENT RELATED TO SECTION 209 OF
10 DIVISION A OF THE ACT.—Paragraph (3) of section
11 168(l) is amended by striking “enzymatic”.

12 (2) AMENDMENTS RELATED TO SECTION 419 OF
13 DIVISION A OF THE ACT.—

14 (A) Clause (iv) of section 6724(d)(1)(B) is
15 amended by inserting “or (h)(1)” after “section
16 6050H(a)”.

17 (B) Subparagraph (K) of section
18 6724(d)(2) is amended by inserting “or (h)(2)”
19 after “section 6050H(d)”.

20 (3) EFFECTIVE DATE.—The amendments made
21 by this subsection shall take effect as if included in
22 the provision of the Tax Relief and Health Care Act
23 of 2006 to which they relate.

24 (c) CLERICAL AMENDMENTS RELATED TO THE GULF
25 OPPORTUNITY ZONE ACT OF 2005.—

1 (1) AMENDMENTS RELATED TO SECTION 402 OF
 2 THE ACT.—Subparagraph (B) of section 24(d)(1) is
 3 amended—

4 (A) by striking “the excess (if any) of” in
 5 the matter preceding clause (i) and inserting
 6 “the greater of”, and

7 (B) by striking “section” in clause (ii)(II)
 8 and inserting “section 32”.

9 (2) EFFECTIVE DATE.—The amendments made
 10 by this subsection shall take effect as if included in
 11 the provisions of the Gulf Opportunity Zone Act of
 12 2005 to which they relate.

13 (d) CLERICAL AMENDMENTS RELATED TO THE
 14 SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT TRANSPOR-
 15 TATION EQUITY ACT: A LEGACY FOR USERS.—

16 (1) AMENDMENTS RELATED TO SECTION 11163
 17 OF THE ACT.—Subparagraph (C) of section
 18 6416(a)(4) is amended—

19 (A) by striking “ultimate vendor” and all
 20 that follows through “has certified” and insert-
 21 ing “ultimate vendor or credit card issuer has
 22 certified”, and

23 (B) by striking “all ultimate purchasers of
 24 the vendor” and all that follows through “are
 25 certified” and inserting “all ultimate purchasers

1 of the vendor or credit card issuer are cer-
 2 tified”.

3 (2) EFFECTIVE DATE.—The amendments made
 4 by this subsection shall take effect as if included in
 5 the provisions of the Safe, Accountable, Flexible, Ef-
 6 ficient Transportation Equity Act: A Legacy for
 7 Users to which they relate.

8 (e) CLERICAL AMENDMENTS RELATED TO THE EN-
 9 ERGY POLICY ACT OF 2005.—

10 (1) AMENDMENT RELATED TO SECTION 1344 OF
 11 THE ACT.—Subparagraph (B) of section 6427(e)(5),
 12 as redesignated by subsection (a)(36), is amended by
 13 striking “2006” and inserting “2008”.

14 (2) AMENDMENTS RELATED TO SECTION 1351
 15 OF THE ACT.—Subparagraphs (A)(ii) and (B)(ii) of
 16 section 41(f)(1) are each amended by striking
 17 “qualified research expenses and basic research pay-
 18 ments” and inserting “qualified research expenses,
 19 basic research payments, and amounts paid or in-
 20 curred to energy research consortiums,”.

21 (3) EFFECTIVE DATE.—The amendments made
 22 by this subsection shall take effect as if included in
 23 the provisions of the Energy Policy Act of 2005 to
 24 which they relate.

1 (f) CLERICAL AMENDMENTS RELATED TO THE
2 AMERICAN JOBS CREATION ACT OF 2004.—

3 (1) AMENDMENT RELATED TO SECTION 413 OF
4 THE ACT.—Subsection (b) of section 1298 is amend-
5 ed by striking paragraph (7) and by redesignating
6 paragraphs (8) and (9) as paragraphs (7) and (8),
7 respectively.

8 (2) AMENDMENT RELATED TO SECTION 895 OF
9 THE ACT.—Clause (iv) of section 904(f)(3)(D) is
10 amended by striking “a controlled group” and in-
11 serting “an affiliated group”.

12 (3) EFFECTIVE DATE.—The amendments made
13 by this subsection shall take effect as if included in
14 the provisions of the American Jobs Creation Act of
15 2004 to which they relate.

16 (g) CLERICAL AMENDMENTS RELATED TO THE FSC
17 REPEAL AND EXTRATERRITORIAL INCOME EXCLUSION
18 ACT OF 2000.—

19 (1) Subclause (I) of section 56(g)(4)(C)(ii) is
20 amended by striking “921” and inserting “921 (as
21 in effect before its repeal by the FSC Repeal and
22 Extraterritorial Income Exclusion Act of 2000)”.

23 (2) Clause (iv) of section 54(g)(4)(C) is amend-
24 ed by striking “a cooperative described in section
25 927(a)(4)” and inserting “an organization to which

1 part I of subchapter T (relating to tax treatment of
 2 cooperatives) applies which is engaged in the mar-
 3 keting of agricultural or horticultural products”.

4 (3) Paragraph (4) of section 245(c) is amended
 5 by adding at the end the following new subpara-
 6 graph:

7 “(C) FSC.—The term ‘FSC’ has the
 8 meaning given such term by section 922.”.

9 (4) Subsection (c) of section 245 is amended by
 10 inserting at the end the following new paragraph:

11 “(5) REFERENCES TO PRIOR LAW.—Any ref-
 12 erence in this subsection to section 922, 923, or 927
 13 shall be treated as a reference to such section as in
 14 effect before its repeal by the FSC Repeal and
 15 Extraterritorial Income Exclusion Act of 2000.”.

16 (5) Paragraph (4) of section 275(a) is amended
 17 by striking “if” and all that follows and inserting “if
 18 the taxpayer chooses to take to any extent the bene-
 19 fits of section 901.”.

20 (6)(A) Subsection (a) of section 291 is amended
 21 by striking paragraph (4) and by redesignating
 22 paragraph (5) as paragraph (4).

23 (B) Paragraph (1) of section 291(c) is amended
 24 by striking “subsection (a)(5)” and inserting “sub-
 25 section (a)(4)”.

1 (7)(A) Paragraph (4) of section 441(b) is
2 amended by striking “FSC or”.

3 (B) Subsection (h) of section 441 is amended—

4 (i) by striking “FSC or” each place it ap-
5 pears, and

6 (ii) by striking “FSC’S AND” in the head-
7 ing thereof.

8 (8) Subparagraph (B) of section 884(d)(2) is
9 amended by inserting before the comma “(as in ef-
10 fect before their repeal by the FSC Repeal and
11 Extraterritorial Income Exclusion Act of 2000)”.

12 (9) Section 901 is amended by striking sub-
13 section (h).

14 (10) Clause (v) of section 904(d)(2)(B) is
15 amended—

16 (A) by inserting “and” at the end of sub-
17 clause (I), by striking subclause (II), and by re-
18 designating subclause (III) as subclause (II),

19 (B) by striking “a FSC (or a former
20 FSC)” in subclause (II) (as so redesignated)
21 and inserting “a former FSC (as defined in sec-
22 tion 922)”, and

23 (C) by adding at the end the following:

24 “Any reference in subclause (II) to section
25 922, 923, or 927 shall be treated as a ref-

1 erence to such section as in effect before
2 its repeal by the FSC Repeal and
3 Extraterritorial Income Exclusion Act of
4 2000.”.

5 (11) Subsection (b) of section 906 is amended
6 by striking paragraph (5) and redesignating para-
7 graphs (6) and (7) as paragraphs (5) and (6), re-
8 spectively.

9 (12) Subparagraph (B) of section 936(f)(2) is
10 amended by striking “FSC or”.

11 (13) Section 951 is amended by striking sub-
12 section (c) and by redesignating subsection (d) as
13 subsection (c).

14 (14) Subsection (b) of section 952 is amended
15 by striking the second sentence.

16 (15)(A) Paragraph (2) of section 956(c) is
17 amended—

18 (i) by striking subparagraph (I) and by re-
19 designating subparagraphs (J) through (M) as
20 subparagraphs (I) through (L), respectively,
21 and

22 (ii) by striking “subparagraphs (J), (K),
23 and (L)” in the flush sentence at the end and
24 inserting “subparagraphs (I), (J), and (K)”.

1 (B) Clause (ii) of section 954(c)(2)(C) is
2 amended by striking “section 956(c)(2)(J)” and in-
3 serting “section 956(c)(2)(I)”.

4 (16) Paragraph (1) of section 992(a) is amend-
5 ed by striking subparagraph (E), by inserting “and”
6 at the end of subparagraph (C), and by striking “,
7 and” at the end of subparagraph (D) and inserting
8 a period.

9 (17) Paragraph (5) of section 1248(d) is
10 amended—

11 (A) by inserting “(as defined in section
12 922)” after “a FSC”, and

13 (B) by adding at the end the following new
14 sentence: “Any reference in this paragraph to
15 section 922, 923, or 927 shall be treated as a
16 reference to such section as in effect before its
17 repeal by the FSC Repeal and Extraterritorial
18 Income Exclusion Act of 2000.”.

19 (18) Subparagraph (D) of section 1297(b)(2) is
20 amended by striking “foreign trade income of a FSC
21 or”.

22 (19)(A) Paragraph (1) of section 6011(c) is
23 amended by striking “or former DISC or a FSC or
24 former FSC” and inserting “, former DISC, or
25 former FSC (as defined in section 922 as in effect

1 before its repeal by the FSC Repeal and
2 Extraterritorial Income Exclusion Act of 2000)’’.

3 (B) Subsection (c) of section 6011 is amended
4 by striking ‘‘AND FSC’S’’ in the heading thereof.

5 (20) Subsection (c) of section 6072 is amended
6 by striking ‘‘a FSC or former FSC’’ and inserting
7 ‘‘a former FSC (as defined in section 922 as in ef-
8 fect before its repeal by the FSC Repeal and
9 Extraterritorial Income Exclusion Act of 2000)’’.

10 (21) Section 6686 is amended by inserting
11 ‘‘**FORMER**’’ before ‘‘**FSC**’’ in the heading thereof.

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