

111TH CONGRESS
2D SESSION

H. R. 4881

To amend the Internal Revenue Code of 1986 to allow individuals a deduction for costs incurred to remediate the presence of drywall containing elevated levels of sulphur or strontium in the principal residence of the taxpayer, a deduction for alternative living costs incurred by reason of the need to vacate such residence because of such drywall, and a credit against income tax for the costs of moving to and from the temporary living quarters.

IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 2010

Mr. WITTMAN 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 allow individuals a deduction for costs incurred to remediate the presence of drywall containing elevated levels of sulphur or strontium in the principal residence of the taxpayer, a deduction for alternative living costs incurred by reason of the need to vacate such residence because of such drywall, and a credit against income tax for the costs of moving to and from the temporary living quarters.

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 the “Toxic Drywall Home-
3 owner Relief Act of 2010”.

4 **SEC. 2. DEDUCTION FOR COSTS TO REMEDIATE THE PRES-**
5 **ENCE OF DRYWALL CONTAINING ELEVATED**
6 **LEVELS OF SULPHUR OR STRONTIUM IN THE**
7 **PRINCIPAL RESIDENCE OF THE TAXPAYER**
8 **AND FOR TEMPORARY ALTERNATIVE LIVING**
9 **COSTS INCURRED BY REASON OF THE PRES-**
10 **ENCE OF SUCH DRYWALL.**

11 (a) IN GENERAL.—Part VII of subchapter B of chap-
12 ter 1 of the Internal Revenue Code of 1986 (relating to
13 additional itemized deductions for individuals) is amended
14 by redesignating section 224 as section 225 and by insert-
15 ing after section 223 the following new section:

16 **“SEC. 224. DEDUCTION FOR COSTS TO REMEDIATE THE**
17 **PRESENCE OF DRYWALL CONTAINING ELE-**
18 **VATED LEVELS OF SULPHUR OR STRONTIUM**
19 **IN THE PRINCIPAL RESIDENCE OF THE TAX-**
20 **PAYER AND FOR TEMPORARY ALTERNATIVE**
21 **LIVING COSTS INCURRED BY REASON OF THE**
22 **PRESENCE OF SUCH DRYWALL.**

23 “(a) IN GENERAL.—In the case of an eligible indi-
24 vidual, there shall be allowed as a deduction an amount
25 equal to—

1 “(1) the qualified drywall removal and remedi-
2 ation costs paid or incurred by the taxpayer during
3 the taxable year, and

4 “(2) the qualified alternative living costs so
5 paid or incurred.

6 “(b) DOLLAR LIMITATIONS.—

7 “(1) DRYWALL REMOVAL AND REMEDIATION
8 COSTS.—The deduction allowed by this section for
9 qualified drywall removal and remediation costs for
10 any taxable year shall not exceed the excess of—

11 “(A) \$20,000, over

12 “(B) the deduction allowed to the taxpayer
13 by this section for qualified drywall removal and
14 remediation costs for all prior taxable years.

15 “(2) QUALIFIED ALTERNATIVE LIVING
16 COSTS.—The deduction allowed by this section for
17 qualified alternative living costs for any taxable year
18 shall not exceed the excess of—

19 “(A) \$12,000, over

20 “(B) the deduction allowed to the taxpayer
21 by this section for qualified alternative living
22 costs for all prior taxable years.

23 No more than \$1,000 of such costs may be taken
24 into account for any month.

25 “(c) DEFINITIONS.—For purposes of this section—

1 “(1) ELIGIBLE INDIVIDUAL.—The term ‘eligible
2 individual’ means any individual if—

3 “(A) drywall was installed in the principal
4 residence of such individual after 2004 and be-
5 fore 2009, and

6 “(B) it is reasonable to believe that the
7 drywall—

8 “(i) was manufactured in the People’s
9 Republic of China, or

10 “(ii) contains elevated levels of sul-
11 phur or strontium.

12 “(2) QUALIFIED DRYWALL REMOVAL AND RE-
13 MEDIATION COSTS.—The term ‘qualified drywall re-
14 moval and remediation costs’ means costs in-
15 curred—

16 “(A) to remove drywall containing elevated
17 levels of sulphur or strontium from the prin-
18 cipal residence of the taxpayer and to replace
19 the drywall,

20 “(B) to remove and replace electrical sys-
21 tem components and appliances which corroded
22 by reason of the presence of such drywall,

23 “(C) to carry out other remediation activi-
24 ties recommended by the Consumer Product

1 Safety Commission by reason of such drywall,
2 and

3 “(D) for building inspections associated
4 with any of the foregoing.

5 “(3) QUALIFIED ALTERNATIVE LIVING
6 COSTS.—The term ‘qualified alternative living costs’
7 means costs for lodging (not lavish or extravagant
8 under the circumstances) occupied by the taxpayer
9 for a reasonable period—

10 “(A) while the taxpayer is determining
11 whether the taxpayer’s principal residence has
12 drywall containing elevated levels of sulphur or
13 strontium, and

14 “(B) while such drywall is being removed
15 and replaced.

16 “(4) PRINCIPAL RESIDENCE.—The term ‘prin-
17 cipal residence’ has the meaning given to such term
18 by section 121.

19 “(d) CERTAIN RULES TO APPLY.—Rules similar to
20 the rules under paragraphs (4), (5), (6), and (7) of section
21 25D(e) shall apply for purposes of this section.

22 “(e) APPLICATION OF SECTION.—The section shall
23 apply only to taxable years beginning after December 31,
24 2008, and before January 1, 2012.”.

1 (b) DEDUCTION ALLOWED WHETHER OR NOT TAX-
 2 PAYER ITEMIZES OTHER DEDUCTIONS.—Subsection (a)
 3 of section 62 of such Code is amended by inserting after
 4 paragraph (21) the following new paragraph:

5 “(22) DEDUCTION FOR COSTS TO REMOVE AND
 6 REPLACE CERTAIN DRYWALL AND FOR TEMPORARY
 7 ALTERNATIVE LIVING COSTS.—The deduction al-
 8 lowed by section 224.”.

9 (c) CLERICAL AMENDMENT.—The table of sections
 10 for part VII of subchapter B of chapter 1 of such Code
 11 is amended by redesignating the item relating to section
 12 224 as relating to section 225 and by inserting after the
 13 item relating to section 223 the following new item:

“Sec. 224. Deduction for costs to remediate the presence of drywall containing
 elevated levels of sulphur or strontium in the principal resi-
 dence of the taxpayer and for temporary alternative living costs
 incurred by reason of the presence of such drywall.”.

14 (d) EFFECTIVE DATE.—The amendments made by
 15 this section shall apply to taxable years beginning after
 16 December 31, 2008.

17 **SEC. 3. CREDIT FOR MOVING COSTS ASSOCIATED WITH**
 18 **VACATING TAXPAYER’S PRINCIPAL RESI-**
 19 **DENCE BY REASON OF DRYWALL CON-**
 20 **TAINING ELEVATED LEVELS OF SULPHUR OR**
 21 **STRONTIUM.**

22 (a) IN GENERAL.—Subpart A of part IV of sub-
 23 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 (relating to nonrefundable personal credits) is
 2 amended by inserting after section 25D the following new
 3 section:

4 **“SEC. 25E. MOVING COSTS ASSOCIATED WITH VACATING**
 5 **TAXPAYER’S PRINCIPAL RESIDENCE BY REA-**
 6 **SON OF DRYWALL CONTAINING ELEVATED**
 7 **LEVELS OF SULPHUR OR STRONTIUM.**

8 “(a) IN GENERAL.—In the case of an eligible indi-
 9 vidual (as defined in section 224(c)), there shall be allowed
 10 as a credit against the tax imposed by this chapter for
 11 the taxable year an amount equal to the qualified moving
 12 costs paid or incurred by the taxpayer during the taxable
 13 year.

14 “(b) MAXIMUM CREDIT.—The aggregate costs taken
 15 into account under subsection (a) with respect to moves
 16 from and to the taxpayer’s principal residence shall not
 17 exceed \$1,000.

18 “(c) QUALIFIED MOVING COSTS.—For purposes of
 19 this section, the term ‘qualified moving costs’ means costs
 20 incurred—

21 “(1) to move from the taxpayer’s principal resi-
 22 dence (within the meaning of section 121) to tem-
 23 porary lodging to be occupied by the taxpayer—

24 “(A) while the taxpayer is determining
 25 whether the taxpayer’s principal residence has

1 drywall containing elevated levels of sulphur or
2 strontium, and

3 “(B) while such drywall is being removed
4 and replaced, and

5 “(2) to move from such lodging back to such
6 residence.

7 “(d) APPLICATION OF SECTION.—The section shall
8 apply only to taxable years beginning after December 31,
9 2008, and before January 1, 2012.”.

10 (b) CLERICAL AMENDMENT.—The table of sections
11 for such subpart A is amended by inserting after the item
12 relating to section 25D the following new item:

 “Sec. 25E. Moving costs associated with vacating taxpayer’s principal residence
 by reason of drywall containing elevated levels of sulphur or
 strontium.”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to taxable years beginning after
15 December 31, 2008.

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