

112TH CONGRESS
2D SESSION

H. R. 6459

To provide tax relief with respect to the Hurricane Isaac disaster area.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 20, 2012

Mr. CASSIDY (for himself, Mr. BOUSTANY, Mr. HARPER, Mr. PALAZZO, Mr. ALEXANDER, Mr. LANDRY, Mr. RICHMOND, Mr. NUNNELEE, and Mr. SCALISE) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide tax relief with respect to the Hurricane Isaac 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. SHORT TITLE.**

4 This Act may be cited as the “Investment Savings
5 Access After Catastrophes Act of 2012”.

6 **SEC. 2. HURRICANE ISAAC DISASTER AREA.**

7 For purposes of this Act, the term “Hurricane Isaac
8 disaster area” means any parish or county of Louisiana

1 or Mississippi which is (in whole or in part) in the area
 2 with respect to which a major disaster has been declared
 3 by the President before September 10, 2012, under section
 4 401 of the Robert T. Stafford Disaster Relief and Emer-
 5 gency Assistance Act by reason of Hurricane Isaac.

6 **SEC. 3. SUSPENSION OF PERSONAL CASUALTY LOSS LIM-**
 7 **TATIONS.**

8 Paragraphs (1) and (2) of section 165(h) of the In-
 9 ternal Revenue Code of 1986 shall not apply to losses de-
 10 scribed in section 165(c)(3) of such Code which arise in
 11 the Hurricane Isaac disaster area during the 2-year period
 12 beginning on August 26, 2012, and which are attributable
 13 to Hurricane Isaac. In the case of any other losses, section
 14 165(h)(2)(A) of such Code shall be applied without regard
 15 to the losses referred to in the preceding sentence.

16 **SEC. 4. TREATMENT OF NET OPERATING LOSSES ATTRIB-**
 17 **UTABLE TO HURRICANE ISAAC.**

18 (a) EXTENSION OF CARRYBACK PERIOD.—During
 19 the 2-year period beginning on August 26, 2012, if a por-
 20 tion of any net operating loss of the taxpayer for any tax-
 21 able year is a Hurricane Isaac loss, section 172(b)(1) of
 22 the Internal Revenue Code of 1986 shall be applied with
 23 respect to such portion—

24 (1) by substituting “5 taxable years” for “2
 25 taxable years” in subparagraph (A)(i) thereof, and

1 (2) by not taking such portion into account in
 2 determining any eligible loss of the taxpayer under
 3 subparagraph (F) thereof for the taxable year.

4 (b) SUSPENSION OF 90 PERCENT AMT LIMITA-
 5 TION.—Section 56(d)(1) of such Code shall be applied by
 6 increasing the amount determined under subparagraph
 7 (A)(ii)(I) thereof by the sum of the carrybacks and
 8 carryovers of any net operating loss attributable to the
 9 portion described in subsection (a).

10 (c) HURRICANE ISAAC LOSS.—For purposes of this
 11 section—

12 (1) IN GENERAL.—The term “Hurricane Isaac
 13 loss” means the lesser of—

14 (A) the excess of—

15 (i) the net operating loss for such tax-
 16 able year, over

17 (ii) the specified liability loss for such
 18 taxable year to which a 10-year carryback
 19 applies under section 172(b)(1)(C) of such
 20 Code, or

21 (B) the amount of any deduction for any
 22 qualified Hurricane Isaac casualty loss to the
 23 extent taken into account in computing the net
 24 operating loss for such taxable year.

1 (2) QUALIFIED HURRICANE ISAAC CASUALTY
2 LOSS.—

3 (A) IN GENERAL.—The term “qualified
4 Hurricane Isaac casualty loss” means any un-
5 compensated section 1231 loss (as defined in
6 section 1231(a)(3)(B) of such Code) of property
7 located in the Hurricane Isaac disaster area
8 if—

9 (i) such loss is allowed as a deduction
10 under section 165 of such Code for the
11 taxable year, and

12 (ii) such loss is by reason of Hurri-
13 cane Isaac.

14 (B) APPLICABLE RULES.—For purposes of
15 subparagraph (A), rules similar to the rules of
16 subparagraphs (B) and (C) of paragraph (3),
17 and paragraph (4), of section 1400N(k) of such
18 Code and shall apply.

19 **SEC. 5. TAX-FAVORED WITHDRAWALS FROM RETIREMENT**
20 **PLANS.**

21 (a) IN GENERAL.—A qualified Hurricane Isaac dis-
22 tribution shall be treated as a qualified hurricane distribu-
23 tion for purposes of section 1400Q(a) of the Internal Rev-
24 enue Code of 1986.

1 (b) QUALIFIED HURRICANE ISAAC DISTRIBUTION.—

2 For purposes of subsection (a), the term “qualified Hurri-
 3 cane Isaac distribution” means any distribution from an
 4 eligible retirement plan made on or after August 26, 2012,
 5 and before September 11, 2014, to an individual whose
 6 principal place of abode on August 26, 2012, is located
 7 in the Hurricane Isaac disaster area and who has sus-
 8 tained an economic loss by reason of Hurricane Isaac.

9 (c) APPLICABLE RULES.—For purposes of this sec-
 10 tion, rules similar to the rules of section 1400Q(a) of such
 11 Code (other than paragraph (4)(A) thereof) shall apply.

12 **SEC. 6. RESCISSION OF UNSPENT AND UNCOMMITTED FED-**
 13 **ERAL FUNDS.**

14 (a) IN GENERAL.—Notwithstanding any other provi-
 15 sion of law, of all available unobligated Federal funds, an
 16 amount in appropriated discretionary unexpired funds de-
 17 termined by the Director of the Office of Management and
 18 Budget to be equal to the reduction in Federal revenues
 19 by reason of the enactment of this Act is rescinded.

20 (b) IMPLEMENTATION.—Not later than 60 days after
 21 the date of enactment of this Act, the Director of the Of-
 22 fice of Management and Budget shall—

23 (1) identify the accounts and amounts rescinded
 24 to implement subsection (a); and

1 (2) submit a report to the Secretary of the
2 Treasury and Congress of the accounts and amounts
3 identified under paragraph (1) for rescission.

4 (c) EXCEPTION.—This section shall not apply to the
5 unobligated Federal funds of the Department of Defense
6 or the Department of Veterans Affairs.

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