

112TH CONGRESS
2D SESSION

H. R. 6579

To amend the Internal Revenue Code of 1986 to deny any deduction for compensatory payments made to any person or governmental entity on account of the April 20, 2010, explosion on and sinking of the mobile offshore drilling unit Deepwater Horizon.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 26, 2012

Mr. BONNER 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 deny any deduction for compensatory payments made to any person or governmental entity on account of the April 20, 2010, explosion on and sinking of the mobile offshore drilling unit Deepwater Horizon.

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. DENIAL OF DEDUCTION FOR COMPENSATORY**
4 **PAYMENTS ON ACCOUNT OF THE APRIL 20,**
5 **2010, DEEPWATER HORIZON INCIDENT.**

6 (a) IN GENERAL.—Section 162 of the Internal Rev-
7 enue Code of 1986 (relating to trade or business expenses)

1 is amended by redesignating subsection (h) as subsection
2 (i) and by inserting after subsection (g) the following new
3 subsection:

4 “(h) COMPENSATORY PAYMENTS ON ACCOUNT OF
5 THE APRIL 20, 2010, DEEPWATER HORIZON INCI-
6 DENT.—No deduction shall be allowed under subsection
7 (a) for compensatory payments made to any person or
8 governmental entity on account of the April 20, 2010, ex-
9 plosion on and sinking of the mobile offshore drilling unit
10 Deepwater Horizon.”.

11 (b) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to payments made after April, 20,
13 2010, in taxable years ending after such date.

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