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113TH CONGRESS
1ST SESSION

H. R. 474

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for qualified conservation contributions which include National Scenic Trails.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 2013

Mr. CONNOLLY introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Natural Resources, 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

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A BILL

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for qualified conservation contributions which include National Scenic Trails.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Complete America's Great Trails Act''.

SEC. 2. NATIONAL SCENIC TRAIL CONSERVATION CREDIT.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of

1986 is amended by adding at the end the following new section:

"SEC. 30E. NATIONAL SCENIC TRAIL CONSERVATION CREDIT.

"(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the fair market value of any National Scenic Trail conservation contribution of the taxpayer for the taxable year.

"(b) NATIONAL SCENIC TRAIL CONSERVATION CONTRIBUTION.—For purposes of this section—

"(1) IN GENERAL.—The term 'National Scenic Trail conservation contribution' means any qualified conservation contribution—

"(A) to the extent the qualified real property interest with respect to such contribution includes a National Scenic Trail (or portion thereof) and its trail corridor, and

"(B) with respect to which the taxpayer makes an election under this section.

"(2) NATIONAL SCENIC TRAIL.—The term 'National Scenic Trail' means any trail authorized and designated under section 5 of the National Trails System Act (16 U.S.C. 1244), but only if such trail is at least 200 miles in length.

"(3) TRAIL CORRIDOR.—The term 'trail corridor' means so much of the corridor of a trail as is—

"(A) not less than—

"(i) 150 feet wide on each side of such trail, or

"(ii) in the case of an interest in real property of the taxpayer which includes less than 150 feet on either side of such trail, the entire distance with respect to such interest on such side, and

"(B) not greater than 2,640 feet wide.

"(4) QUALIFIED CONSERVATION CONTRIBUTION; QUALIFIED REAL PROPERTY INTEREST.—The terms 'qualified conservation contribution' and 'qualified real property interest' have the respective meanings given such terms by section 170(h), except that paragraph (2)(A) thereof shall be applied without regard to any qualified mineral interest (as defined in paragraph (6) thereof).

"(c) SPECIAL RULES.—

"(1) FAIR MARKET VALUE.—Fair market value of any National Scenic Trail conservation contribution shall be determined under rules similar to the valuation rules under Treasury Regulations under section 170, except that in any case, to the extent practicable, fair market value shall be determined by reference to the highest and best use of the real property with respect to such contribution.

"(2) ELECTION IRREVOCABLE.—An election under this section may not be revoked.

"(3) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter with respect to any qualified conservation contribution with respect to which an election is made under this section.

"(d) LIMITATION BASED ON AMOUNT OF TAX; CARRYFORWARD OF UNUSED CREDIT.—

"(1) LIMITATION.—The credit allowed under subsection (a) for any taxable year shall not exceed the sum of—

"(A) the taxpayer's regular tax liability (as defined in section 26(b)) for the taxable year reduced by the sum of the credits allowable under subpart A and sections 27, 30, 30B, 30C, and 30D, plus

"(B) the tax imposed by section 55.

"(2) CARRYFORWARD.—

"(A) IN GENERAL.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for any taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.

"(B) LIMITATION.—No credit may be carried forward under this subsection to any taxable year following the tenth taxable year after the taxable year in which the credit arose. For purposes of the preceding sentence, credits shall be treated as used on a first-in first-out basis.".

(b) CONTINUED USE NOT INCONSISTENT WITH CONSERVATION PURPOSES.—A contribution of an interest in real property shall not fail to be treated as a National Scenic Trail conservation contribution (as defined in section 30E(b) of the Internal Revenue Code of 1986) solely by reason of continued use of the real property, such as for recreational or agricultural use (including motor vehicle use related thereto), if, under the circumstances, such use does not impair significant conservation interests and is not inconsistent with the purposes of the National Trails System Act (16 U.S.C. 1241 et seq.).

(c) STUDY REGARDING EFFICACY OF NATIONAL SCENIC TRAIL CONSERVATION CREDIT.—

(1) IN GENERAL.—The Secretary of the Interior shall, in consultation with the Secretary of the Treasury, study—

(A) the efficacy of the National Scenic Trail conservation credit under section 30E of the Internal Revenue Code of 1986 in completing, extending, and increasing the number of National Scenic Trails (as defined in section 30E(b) of such Code), and

(B) the feasibility and estimated costs and benefits of—

(i) making such credit refundable (in whole or in part), and

(ii) allowing transfer of such credit.

(2) REPORT.—Not later than 4 years after the date of the enactment of this Act, the Secretary of the Interior shall submit a report to Congress on the results of the study conducted under this subsection.

(d) CONFORMING AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

"30E. National Scenic Trail conservation credit.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after the date of the enactment of this Act.

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