

Calendar No. 287

113TH CONGRESS
1ST SESSION**S. 1859**

To amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 19, 2013

Mr. REID introduced the following bill

DECEMBER 20 (legislative day, DECEMBER 19), 2013

Read the first time

DECEMBER 20, 2013

Read the second time and placed on the calendar

A BILL

To amend the Internal Revenue Code of 1986 to extend certain expiring provisions, 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, ETC.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Tax Extenders Act of 2013”.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title, etc.

TITLE I—INDIVIDUAL TAX EXTENDERS

Subtitle A—Extensions Relating to Certain Health Coverage

Sec. 101. Health care tax credit.

Sec. 102. TAA pre-certification rule for purposes of determining whether there is a 63-day lapse in creditable coverage.

Sec. 103. Extension of COBRA benefits for certain TAA-eligible individuals and PBGC recipients.

Subtitle B—General Extensions

Sec. 111. Extension of deduction for certain expenses of elementary and secondary school teachers.

Sec. 112. Extension of exclusion from gross income of discharge of qualified principal residence indebtedness.

Sec. 113. Extension of parity for exclusion from income for employer-provided mass transit and parking benefits.

Sec. 114. Extension of mortgage insurance premiums treated as qualified residence interest.

Sec. 115. Extension of deduction of State and local general sales taxes.

Sec. 116. Extension of special rule for contributions of capital gain real property made for conservation purposes.

Sec. 117. Extension of above-the-line deduction for qualified tuition and related expenses.

Sec. 118. Extension of tax-free distributions from individual retirement plans for charitable purposes.

TITLE II—BUSINESS TAX EXTENDERS

Sec. 201. Extension of research credit.

Sec. 202. Extension of temporary minimum low-income tax credit rate for non-federally subsidized new buildings.

Sec. 203. Extension of housing allowance exclusion for determining area median gross income for qualified residential rental project exempt facility bonds.

Sec. 204. Extension of Indian employment tax credit.

- Sec. 205. Extension of new markets tax credit.
- Sec. 206. Extension of railroad track maintenance credit.
- Sec. 207. Extension of mine rescue team training credit.
- Sec. 208. Extension of employer wage credit for employees who are active duty members of the uniformed services.
- Sec. 209. Extension of work opportunity tax credit.
- Sec. 210. Extension of qualified zone academy bonds.
- Sec. 211. Extension of classification of certain race horses as 3-year property.
- Sec. 212. Extension of 15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements.
- Sec. 213. Extension of 7-year recovery period for motorsports entertainment complexes.
- Sec. 214. Extension of accelerated depreciation for business property on an Indian reservation.
- Sec. 215. Extension of bonus depreciation.
- Sec. 216. Extension of enhanced charitable deduction for contributions of food inventory.
- Sec. 217. Extension of increased expensing limitations and treatment of certain real property as section 179 property.
- Sec. 218. Extension of election to expense mine safety equipment.
- Sec. 219. Extension of special expensing rules for certain film and television productions.
- Sec. 220. Extension of deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.
- Sec. 221. Extension of modification of tax treatment of certain payments to controlling exempt organizations.
- Sec. 222. Extension of treatment of certain dividends of regulated investment companies.
- Sec. 223. Extension of RIC qualified investment entity treatment under FIRPTA.
- Sec. 224. Extension of subpart F exception for active financing income.
- Sec. 225. Extension of look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company rules.
- Sec. 226. Extension of temporary exclusion of 100 percent of gain on certain small business stock.
- Sec. 227. Extension of basis adjustment to stock of S corporations making charitable contributions of property.
- Sec. 228. Extension of reduction in S-corporation recognition period for built-in gains tax.
- Sec. 229. Extension of empowerment zone tax incentives.
- Sec. 230. Extension of temporary increase in limit on cover over of rum excise taxes to Puerto Rico and the Virgin Islands.
- Sec. 231. Extension of American Samoa economic development credit.

TITLE III—ENERGY TAX EXTENDERS

- Sec. 301. Extension of credit for energy-efficient existing homes.
- Sec. 302. Extension of credit for alternative fuel vehicle refueling property.
- Sec. 303. Extension of credit for 2- or 3-wheeled plug-in electric vehicles.
- Sec. 304. Extension of second generation biofuel producer credit.
- Sec. 305. Extension of incentives for biodiesel and renewable diesel.
- Sec. 306. Extension of production credit for Indian coal facilities placed in service before 2009.

- Sec. 307. Extension of credits with respect to facilities producing energy from certain renewable resources.
- Sec. 308. Extension of credit for energy-efficient new homes.
- Sec. 309. Extension of credits for energy-efficient appliances.
- Sec. 310. Extension of special allowance for second generation biofuel plant property.
- Sec. 311. Extension of placed in service date for election to expense certain refineries.
- Sec. 312. Extension of energy efficient commercial buildings deduction.
- Sec. 313. Extension of special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities.
- Sec. 314. Extension of alternative fuels excise tax credits.
- Sec. 315. Extension of alternative fuels excise tax credits relating to liquefied hydrogen.

1 **TITLE I—INDIVIDUAL TAX**

2 **EXTENDERS**

3 **Subtitle A—Extensions Relating to**

4 **Certain Health Coverage**

5 **SEC. 101. HEALTH CARE TAX CREDIT.**

6 (a) IN GENERAL.—Subparagraph (B) of section

7 35(b)(1) is amended by striking “January 1, 2014” and

8 inserting “January 1, 2015”.

9 (b) EFFECTIVE DATE.—The amendment made by

10 this section shall apply to coverage months beginning after

11 December 31, 2013.

12 **SEC. 102. TAA PRE-CERTIFICATION RULE FOR PURPOSES**

13 **OF DETERMINING WHETHER THERE IS A 63-**

14 **DAY LAPSE IN CREDITABLE COVERAGE.**

15 (a) IN GENERAL.—The following provisions are each

16 amended by striking “January 1, 2014” and inserting

17 “January 1, 2015”:

18 (1) Section 9801(c)(2)(D).

1 (2) Section 701(c)(2)(C) of the Employee Re-
2 tirement Income Security Act of 1974.

3 (3) Section 2701(c)(2)(C) of the Public Health
4 Service Act (as in effect for plan years beginning be-
5 fore January 1, 2014).

6 (4) Section 2704(c)(2)(C) of the Public Health
7 Service Act (as in effect for plan years beginning on
8 or after January 1, 2014).

9 (b) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to plan years beginning after De-
11 cember 31, 2013.

12 **SEC. 103. EXTENSION OF COBRA BENEFITS FOR CERTAIN**
13 **TAA-ELIGIBLE INDIVIDUALS AND PBGC RE-**
14 **CIPIENTS.**

15 (a) IN GENERAL.—The following provisions are each
16 amended by striking “January 1, 2014” and inserting
17 “January 1, 2015”:

18 (1) Section 4980B(f)(2)(B)(i)(V).

19 (2) Section 4980B(f)(2)(B)(i)(VI).

20 (3) Section 602(2)(A)(v) of the Employee Re-
21 tirement Income Security Act of 1974.

22 (4) Section 602(2)(A)(vi) of such Act.

23 (5) Section 2202(2)(A)(iv) of the Public Health
24 Service Act.

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to periods of coverage which would
3 (without regard to the amendments made by this section)
4 end on or after December 31, 2013.

5 **Subtitle B—General Extensions**

6 **SEC. 111. EXTENSION OF DEDUCTION FOR CERTAIN EX-** 7 **PENSES OF ELEMENTARY AND SECONDARY** 8 **SCHOOL TEACHERS.**

9 (a) IN GENERAL.—Subparagraph (D) of section
10 62(a)(2) is amended by striking “or 2013” and inserting
11 “2013, or 2014”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this section shall apply to taxable years beginning after
14 December 31, 2013.

15 **SEC. 112. EXTENSION OF EXCLUSION FROM GROSS INCOME** 16 **OF DISCHARGE OF QUALIFIED PRINCIPAL** 17 **RESIDENCE INDEBTEDNESS.**

18 (a) IN GENERAL.—Subparagraph (E) of section
19 108(a)(1) is amended by striking “January 1, 2014” and
20 inserting “January 1, 2015”.

21 (b) EFFECTIVE DATE.—The amendment made by
22 this section shall apply to indebtedness discharged after
23 December 31, 2013.

1 **SEC. 113. EXTENSION OF PARITY FOR EXCLUSION FROM IN-**
 2 **COME FOR EMPLOYER-PROVIDED MASS**
 3 **TRANSIT AND PARKING BENEFITS.**

4 (a) IN GENERAL.—Paragraph (2) of section 132(f)
 5 is amended by striking “January 1, 2014” and inserting
 6 “January 1, 2015”.

7 (b) EFFECTIVE DATE.—The amendment made by
 8 this section shall apply to months after December 31,
 9 2013.

10 **SEC. 114. EXTENSION OF MORTGAGE INSURANCE PRE-**
 11 **MIUMS TREATED AS QUALIFIED RESIDENCE**
 12 **INTEREST.**

13 (a) IN GENERAL.—Subclause (I) of section
 14 163(h)(3)(E)(iv) is amended by striking “December 31,
 15 2013” and inserting “December 31, 2014”.

16 (b) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to amounts paid or accrued after
 18 December 31, 2013.

19 **SEC. 115. EXTENSION OF DEDUCTION OF STATE AND LOCAL**
 20 **GENERAL SALES TAXES.**

21 (a) IN GENERAL.—Subparagraph (I) of section
 22 164(b)(5) is amended by striking “January 1, 2014” and
 23 inserting “January 1, 2015”.

24 (b) EFFECTIVE DATE.—The amendment made by
 25 this section shall apply to taxable years beginning after
 26 December 31, 2013.

1 **SEC. 116. EXTENSION OF SPECIAL RULE FOR CONTRIBU-**
 2 **TIONS OF CAPITAL GAIN REAL PROPERTY**
 3 **MADE FOR CONSERVATION PURPOSES.**

4 (a) IN GENERAL.—Clause (vi) of section
 5 170(b)(1)(E) is amended by striking “December 31,
 6 2013” and inserting “December 31, 2014”.

7 (b) CONTRIBUTIONS BY CERTAIN CORPORATE FARM-
 8 ERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B)
 9 is amended by striking “December 31, 2013” and insert-
 10 ing “December 31, 2014”.

11 (c) EFFECTIVE DATE.—The amendments made by
 12 this section shall apply to contributions made in taxable
 13 years beginning after December 31, 2013.

14 **SEC. 117. EXTENSION OF ABOVE-THE-LINE DEDUCTION FOR**
 15 **QUALIFIED TUITION AND RELATED EX-**
 16 **PENSES.**

17 (a) IN GENERAL.—Subsection (e) of section 222 is
 18 amended by striking “December 31, 2013” and inserting
 19 “December 31, 2014”.

20 (b) EFFECTIVE DATE.—The amendment made by
 21 this section shall apply to taxable years beginning after
 22 December 31, 2013.

1 **SEC. 118. EXTENSION OF TAX-FREE DISTRIBUTIONS FROM**
2 **INDIVIDUAL RETIREMENT PLANS FOR CHARI-**
3 **TABLE PURPOSES.**

4 (a) IN GENERAL.—Subparagraph (F) of section
5 408(d)(8) is amended by striking “December 31, 2013”
6 and inserting “December 31, 2014”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 this section shall apply to distributions made in taxable
9 years beginning after December 31, 2013.

10 **TITLE II—BUSINESS TAX**
11 **EXTENDERS**

12 **SEC. 201. EXTENSION OF RESEARCH CREDIT.**

13 (a) IN GENERAL.—Subparagraph (B) of section
14 41(h)(1) is amended by striking “December 31, 2013”
15 and inserting “December 31, 2014”.

16 (b) CONFORMING AMENDMENT.—Subparagraph (D)
17 of section 45C(b)(1) is amended by striking “December
18 31, 2013” and inserting “December 31, 2014”.

19 (c) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to amounts paid or incurred after
21 December 31, 2013.

1 **SEC. 202. EXTENSION OF TEMPORARY MINIMUM LOW-IN-**
 2 **COME TAX CREDIT RATE FOR NON-FEDER-**
 3 **ALLY SUBSIDIZED NEW BUILDINGS.**

4 (a) IN GENERAL.—Subparagraph (A) of section
 5 42(b)(2) is amended by striking “before January 1, 2014”
 6 and inserting “before January 1, 2015”.

7 (b) EFFECTIVE DATE.—The amendment made by
 8 this section shall take effect on January 1, 2014.

9 **SEC. 203. EXTENSION OF HOUSING ALLOWANCE EXCLU-**
 10 **SION FOR DETERMINING AREA MEDIAN**
 11 **GROSS INCOME FOR QUALIFIED RESIDEN-**
 12 **TIAL RENTAL PROJECT EXEMPT FACILITY**
 13 **BONDS.**

14 (a) IN GENERAL.—Subsection (b) of section 3005 of
 15 the Housing Assistance Tax Act of 2008 is amended by
 16 striking “January 1, 2014” each place it appears and in-
 17 serting “January 1, 2015”.

18 (b) EFFECTIVE DATE.—The amendment made by
 19 this section shall take effect as if included in the enact-
 20 ment of section 3005 of the Housing Assistance Tax Act
 21 of 2008.

22 **SEC. 204. EXTENSION OF INDIAN EMPLOYMENT TAX CRED-**
 23 **IT.**

24 (a) IN GENERAL.—Subsection (f) of section 45A is
 25 amended by striking “December 31, 2013” and inserting
 26 “December 31, 2014”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2013.

4 **SEC. 205. EXTENSION OF NEW MARKETS TAX CREDIT.**

5 (a) IN GENERAL.—Subparagraph (G) of section
6 45D(f)(1) is amended by striking “and 2013” and insert-
7 ing “2013, and 2014”.

8 (b) CARRYOVER OF UNUSED LIMITATION.—Para-
9 graph (3) of section 45D(f) is amended by striking
10 “2018” and inserting “2019”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to calendar years beginning after
13 December 31, 2013.

14 **SEC. 206. EXTENSION OF RAILROAD TRACK MAINTENANCE**
15 **CREDIT.**

16 (a) IN GENERAL.—Subsection (f) of section 45G is
17 amended by striking “January 1, 2014” and inserting
18 “January 1, 2015”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 this section shall apply to expenditures paid or incurred
21 in taxable years beginning after December 31, 2013.

1 **SEC. 207. EXTENSION OF MINE RESCUE TEAM TRAINING**

2 **CREDIT.**

3 (a) IN GENERAL.—Subsection (e) of section 45N is
4 amended by striking “December 31, 2013” and inserting
5 “December 31, 2014”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to taxable years beginning after
8 December 31, 2013.

9 **SEC. 208. EXTENSION OF EMPLOYER WAGE CREDIT FOR**

10 **EMPLOYEES WHO ARE ACTIVE DUTY MEM-**
11 **BERS OF THE UNIFORMED SERVICES.**

12 (a) IN GENERAL.—Subsection (f) of section 45P is
13 amended by striking “December 31, 2013” and inserting
14 “December 31, 2014”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to payments made after December
17 31, 2013.

18 **SEC. 209. EXTENSION OF WORK OPPORTUNITY TAX CREDIT.**

19 (a) IN GENERAL.—Subparagraph (B) of section
20 51(c)(4) is amended by striking “December 31, 2013” and
21 inserting “December 31, 2014”.

22 (b) EFFECTIVE DATE.—The amendment made by
23 this section shall apply to individuals who begin work for
24 the employer after December 31, 2013.

1 **SEC. 210. EXTENSION OF QUALIFIED ZONE ACADEMY**
 2 **BONDS.**

3 (a) EXTENSION.—

4 (1) IN GENERAL.—Paragraph (1) of section
 5 54E(c) is amended by striking “and 2013” and in-
 6 serting “2013, and 2014”.

7 (2) EFFECTIVE DATE.—The amendment made
 8 by this subsection shall apply to obligations issued
 9 after December 31, 2013.

10 (b) TECHNICAL CORRECTION AND CONFORMING
 11 AMENDMENT.—

12 (1) IN GENERAL.—Clause (iii) of section
 13 6431(f)(3)(A) is amended—

14 (A) by striking “2011” and inserting
 15 “years after 2010”, and

16 (B) by striking “of such allocation” and
 17 inserting “of any such allocation”.

18 (2) EFFECTIVE DATE.—The amendments made
 19 by this subsection shall take effect as if included in
 20 section 310 of the American Taxpayer Relief Act of
 21 2012.

22 **SEC. 211. EXTENSION OF CLASSIFICATION OF CERTAIN**
 23 **RACE HORSES AS 3-YEAR PROPERTY.**

24 (a) IN GENERAL.—Clause (i) of section 168(e)(3)(A)
 25 is amended—

1 (1) by striking “January 1, 2014” in subclause
 2 (I) and inserting “January 1, 2015”, and

3 (2) by striking “December 31, 2013” in sub-
 4 clause (II) and inserting “December 31, 2014”.

5 (b) EFFECTIVE DATE.—The amendments made by
 6 this section shall apply to property placed in service after
 7 December 31, 2013.

8 **SEC. 212. EXTENSION OF 15-YEAR STRAIGHT-LINE COST RE-**
 9 **COVERY FOR QUALIFIED LEASEHOLD IM-**
 10 **PROVEMENTS, QUALIFIED RESTAURANT**
 11 **BUILDINGS AND IMPROVEMENTS, AND**
 12 **QUALIFIED RETAIL IMPROVEMENTS.**

13 (a) IN GENERAL.—Clauses (iv), (v), and (ix) of sec-
 14 tion 168(e)(3)(E) are each amended by striking “January
 15 1, 2014” and inserting “January 1, 2015”.

16 (b) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to property placed in service after
 18 December 31, 2013.

19 **SEC. 213. EXTENSION OF 7-YEAR RECOVERY PERIOD FOR**
 20 **MOTORSPORTS ENTERTAINMENT COM-**
 21 **PLEXES.**

22 (a) IN GENERAL.—Subparagraph (D) of section
 23 168(i)(15) is amended by striking “December 31, 2013”
 24 and inserting “December 31, 2014”.

1 (b) EFFECTIVE DATE.—The amendment made by
 2 this section shall apply to property placed in service after
 3 December 31, 2013.

4 **SEC. 214. EXTENSION OF ACCELERATED DEPRECIATION**
 5 **FOR BUSINESS PROPERTY ON AN INDIAN**
 6 **RESERVATION.**

7 (a) IN GENERAL.—Paragraph (8) of section 168(j)
 8 is amended by striking “December 31, 2013” and insert-
 9 ing “December 31, 2014”.

10 (b) EFFECTIVE DATE.—The amendment made by
 11 this section shall apply to property placed in service after
 12 December 31, 2013.

13 **SEC. 215. EXTENSION OF BONUS DEPRECIATION.**

14 (a) IN GENERAL.—Paragraph (2) of section 168(k)
 15 is amended—

16 (1) by striking “January 1, 2015” in subpara-
 17 graph (A)(iv) and inserting “January 1, 2016”, and

18 (2) by striking “January 1, 2014” each place
 19 it appears and inserting “January 1, 2015”.

20 (b) SPECIAL RULE FOR FEDERAL LONG-TERM CON-
 21 TRACTS.—Clause (ii) of section 460(c)(6)(B) is amended
 22 by striking “January 1, 2014 (January 1, 2015” and in-
 23 serting “January 1, 2015 (January 1, 2016”.

24 (c) EXTENSION OF ELECTION TO ACCELERATE THE
 25 AMT CREDIT IN LIEU OF BONUS DEPRECIATION.—

1 (1) IN GENERAL.—Subclause (II) of section
 2 168(k)(4)(D)(iii) is amended by striking “2014” and
 3 inserting “2015”.

4 (2) ROUND 4 EXTENSION PROPERTY.—Para-
 5 graph (4) of section 168(k) is amended by adding at
 6 the end the following new subparagraph:

7 “(K) SPECIAL RULES FOR ROUND 4 EX-
 8 TENSION PROPERTY.—

9 “(i) IN GENERAL.—In the case of
 10 round 4 extension property, this paragraph
 11 shall be applied without regard to—

12 “(I) the limitation described in
 13 subparagraph (B)(i) thereof, and

14 “(II) the business credit increase
 15 amount under subparagraph (E)(iii)
 16 thereof.

17 “(ii) TAXPAYERS PREVIOUSLY ELECT-
 18 ING ACCELERATION.—In the case of a tax-
 19 payer who made the election under sub-
 20 paragraph (A) for its first taxable year
 21 ending after March 31, 2008, a taxpayer
 22 who made the election under subparagraph
 23 (H)(ii) for its first taxable year ending
 24 after December 31, 2008, a taxpayer who
 25 made the election under subparagraph

(I)(iii) for its first taxable year ending after December 31, 2010, or a taxpayer who made the election under subparagraph (J)(iii) for its first taxable year ending after December 31, 2012—

“(I) the taxpayer may elect not to have this paragraph apply to round 4 extension property, but

“(II) if the taxpayer does not make the election under subclause (I), in applying this paragraph to the taxpayer the bonus depreciation amount, maximum amount, and maximum increase amount shall be computed and applied to eligible qualified property which is round 4 extension property.

The amounts described in subclause (II) shall be computed separately from any amounts computed with respect to eligible qualified property which is not round 4 extension property.

“(iii) TAXPAYERS NOT PREVIOUSLY ELECTING ACCELERATION.—In the case of a taxpayer who neither made the election under subparagraph (A) for its first tax-

1 able year ending after March 31, 2008,
 2 nor made the election under subparagraph
 3 (H)(ii) for its first taxable year ending
 4 after December 31, 2008, nor made the
 5 election under subparagraph (I)(iii) for its
 6 first taxable year ending after December
 7 31, 2010, nor made the election under sub-
 8 paragraph (J)(iii) for its first taxable year
 9 ending after December 31, 2012—

10 “(I) the taxpayer may elect to
 11 have this paragraph apply to its first
 12 taxable year ending after December
 13 31, 2013, and each subsequent tax-
 14 able year, and

15 “(II) if the taxpayer makes the
 16 election under subclause (I), this
 17 paragraph shall only apply to eligible
 18 qualified property which is round 4
 19 extension property.

20 “(iv) ROUND 4 EXTENSION PROP-
 21 ERTY.—For purposes of this subpara-
 22 graph, the term ‘round 4 extension prop-
 23 erty’ means property which is eligible
 24 qualified property solely by reason of the
 25 extension of the application of the special

1 allowance under paragraph (1) pursuant to
 2 the amendments made by section 215(a) of
 3 the Tax Extenders Act of 2013 (and the
 4 application of such extension to this para-
 5 graph pursuant to the amendment made
 6 by section 215(c) of such Act).’.

7 (d) CONFORMING AMENDMENTS.—

8 (1) The heading for subsection (k) of section
 9 168 is amended by striking “JANUARY 1, 2014” and
 10 inserting “JANUARY 1, 2015”.

11 (2) The heading for clause (ii) of section
 12 168(k)(2)(B) is amended by striking “PRE-JANUARY
 13 1, 2014” and inserting “PRE-JANUARY 1, 2015”.

14 (3) Subparagraph (C) of section 168(n)(2) is
 15 amended by striking “January 1, 2014” and insert-
 16 ing “January 1, 2015”.

17 (4) Subparagraph (D) of section 1400L(b)(2) is
 18 amended by striking “January 1, 2014” and insert-
 19 ing “January 1, 2015”.

20 (5) Subparagraph (B) of section 1400N(d)(3)
 21 is amended by striking “January 1, 2014” and in-
 22 serting “January 1, 2015”.

23 (e) EFFECTIVE DATE.—The amendments made by
 24 this section shall apply to property placed in service after

1 December 31, 2013, in taxable years ending after such
2 date.

3 **SEC. 216. EXTENSION OF ENHANCED CHARITABLE DEDUC-**
4 **TION FOR CONTRIBUTIONS OF FOOD INVEN-**
5 **TORY.**

6 (a) IN GENERAL.—Clause (iv) of section
7 170(e)(3)(C) is amended by striking “December 31,
8 2013” and inserting “December 31, 2014”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall apply to contributions made after De-
11 cember 31, 2013.

12 **SEC. 217. EXTENSION OF INCREASED EXPENSING LIMITA-**
13 **TIONS AND TREATMENT OF CERTAIN REAL**
14 **PROPERTY AS SECTION 179 PROPERTY.**

15 (a) IN GENERAL.—

16 (1) DOLLAR LIMITATION.—Section 179(b)(1) is
17 amended—

18 (A) by striking “or 2013” in subparagraph

19 (B) and inserting “2013, or 2014”, and

20 (B) by striking “2013” in subparagraph

21 (C) and inserting “2014”.

22 (2) REDUCTION IN LIMITATION.—Section
23 179(b)(2) is amended—

24 (A) by striking “or 2013” in subparagraph

25 (B) and inserting “2013, or 2014”, and

1 (B) by striking “2013” in subparagraph
2 (C) and inserting “2014”.

3 (b) COMPUTER SOFTWARE.—Section
4 179(d)(1)(A)(ii) is amended by striking “2014” and in-
5 serting “2015”.

6 (c) ELECTION.—Section 179(c)(2) is amended by
7 striking “2014” and inserting “2015”.

8 (d) SPECIAL RULES FOR TREATMENT OF QUALIFIED
9 REAL PROPERTY.—

10 (1) IN GENERAL.—Section 179(f)(1) is amend-
11 ed by striking “or 2013” and inserting “2013, or
12 2014”.

13 (2) CARRYOVER LIMITATION.—

14 (A) IN GENERAL.—Section 179(f)(4) is
15 amended by striking “2013” each place it ap-
16 pears and inserting “2014”.

17 (B) CONFORMING AMENDMENT.—The
18 heading of subparagraph (C) of section
19 179(f)(4) is amended by striking “2011 AND
20 2012” and inserting “2011, 2012, AND 2013”.

21 (e) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2013.

1 **SEC. 218. EXTENSION OF ELECTION TO EXPENSE MINE**
2 **SAFETY EQUIPMENT.**

3 (a) IN GENERAL.—Subsection (g) of section 179E is
4 amended by striking “December 31, 2013” and inserting
5 “December 31, 2014”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to property placed in service after
8 December 31, 2013.

9 **SEC. 219. EXTENSION OF SPECIAL EXPENSING RULES FOR**
10 **CERTAIN FILM AND TELEVISION PRODUC-**
11 **TIONS.**

12 (a) IN GENERAL.—Subsection (f) of section 181 is
13 amended by striking “December 31, 2013” and inserting
14 “December 31, 2014”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to productions commencing after
17 December 31, 2013.

18 **SEC. 220. EXTENSION OF DEDUCTION ALLOWABLE WITH**
19 **RESPECT TO INCOME ATTRIBUTABLE TO DO-**
20 **MESTIC PRODUCTION ACTIVITIES IN PUERTO**
21 **RICO.**

22 (a) IN GENERAL.—Subparagraph (C) of section
23 199(d)(8) is amended—

24 (1) by striking “first 8 taxable years” and in-
25 serting “first 9 taxable years”, and

1 (2) by striking “January 1, 2014” and insert-
2 ing “January 1, 2015”.

3 (b) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 December 31, 2013.

6 **SEC. 221. EXTENSION OF MODIFICATION OF TAX TREAT-**
7 **MENT OF CERTAIN PAYMENTS TO CONTROL-**
8 **LING EXEMPT ORGANIZATIONS.**

9 (a) IN GENERAL.—Clause (iv) of section
10 512(b)(13)(E) is amended by striking “December 31,
11 2013” and inserting “December 31, 2014”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this section shall apply to payments received or accrued
14 after December 31, 2013.

15 **SEC. 222. EXTENSION OF TREATMENT OF CERTAIN DIVI-**
16 **DENDS OF REGULATED INVESTMENT COMPA-**
17 **NIES.**

18 (a) IN GENERAL.—Paragraphs (1)(C)(v) and
19 (2)(C)(v) of section 871(k) are each amended by striking
20 “December 31, 2013” and inserting “December 31,
21 2014”.

22 (b) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to taxable years beginning after
24 December 31, 2013.

1 **SEC. 223. EXTENSION OF RIC QUALIFIED INVESTMENT EN-**
 2 **TITY TREATMENT UNDER FIRPTA.**

3 (a) IN GENERAL.—Clause (ii) of section
 4 897(h)(4)(A) is amended by striking “December 31,
 5 2013” and inserting “December 31, 2014”.

6 (b) EFFECTIVE DATE.—The amendment made by
 7 this section shall take effect on January 1, 2014.

8 **SEC. 224. EXTENSION OF SUBPART F EXCEPTION FOR AC-**
 9 **TIVE FINANCING INCOME.**

10 (a) EXEMPT INSURANCE INCOME.—Paragraph (10)
 11 of section 953(e) is amended—

12 (1) by striking “January 1, 2014” and insert-
 13 ing “January 1, 2015”, and

14 (2) by striking “December 31, 2013” and in-
 15 serting “December 31, 2014”.

16 (b) SPECIAL RULE FOR INCOME DERIVED IN THE
 17 ACTIVE CONDUCT OF BANKING, FINANCING, OR SIMILAR
 18 BUSINESSES.—Paragraph (9) of section 954(h) is amend-
 19 ed by striking “January 1, 2014” and inserting “January
 20 1, 2015”.

21 (c) EFFECTIVE DATE.—The amendments made by
 22 this section shall apply to taxable years of foreign corpora-
 23 tions beginning after December 31, 2013, and to taxable
 24 years of United States shareholders with or within which
 25 any such taxable year of such foreign corporation ends.

1 **SEC. 225. EXTENSION OF LOOK-THRU TREATMENT OF PAY-**
2 **MENTS BETWEEN RELATED CONTROLLED**
3 **FOREIGN CORPORATIONS UNDER FOREIGN**
4 **PERSONAL HOLDING COMPANY RULES.**

5 (a) IN GENERAL.—Subparagraph (C) of section
6 954(c)(6) is amended by striking “January 1, 2014” and
7 inserting “January 1, 2015”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply to taxable years of foreign corpora-
10 tions beginning after December 31, 2013, and to taxable
11 years of United States shareholders with or within which
12 such taxable years of foreign corporations end.

13 **SEC. 226. EXTENSION OF TEMPORARY EXCLUSION OF 100**
14 **PERCENT OF GAIN ON CERTAIN SMALL BUSI-**
15 **NESS STOCK.**

16 (a) IN GENERAL.—Paragraph (4) of section 1202(a)
17 is amended—

18 (1) by striking “January 1, 2014” and insert-
19 ing “January 1, 2015”, and

20 (2) by striking “AND 2013” in the heading and
21 inserting “2013, AND 2014”.

22 (b) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to stock acquired after December
24 31, 2013.

1 **SEC. 227. EXTENSION OF BASIS ADJUSTMENT TO STOCK OF**
 2 **S CORPORATIONS MAKING CHARITABLE CON-**
 3 **TRIBUTIONS OF PROPERTY.**

4 (a) IN GENERAL.—Paragraph (2) of section 1367(a)
 5 is amended by striking “December 31, 2013” and insert-
 6 ing “December 31, 2014”.

7 (b) EFFECTIVE DATE.—The amendment made by
 8 this section shall apply to contributions made in taxable
 9 years beginning after December 31, 2013.

10 **SEC. 228. EXTENSION OF REDUCTION IN S-CORPORATION**
 11 **RECOGNITION PERIOD FOR BUILT-IN GAINS**
 12 **TAX.**

13 (a) IN GENERAL.—Subparagraph (C) of section
 14 1374(d)(7) is amended—

15 (1) by striking “2012 or 2013” and inserting
 16 “2012, 2013, or 2014”, and

17 (2) by striking “2012 AND 2013” in the heading
 18 and inserting “2012, 2013, AND 2014”.

19 (b) EFFECTIVE DATE.—The amendments made by
 20 this section shall apply to taxable years beginning after
 21 December 31, 2013.

22 **SEC. 229. EXTENSION OF EMPOWERMENT ZONE TAX INCEN-**
 23 **TIVES.**

24 (a) IN GENERAL.—Clause (i) of section
 25 1391(d)(1)(A) is amended by striking “December 31,
 26 2013” and inserting “December 31, 2014”.

1 (b) TREATMENT OF CERTAIN TERMINATION DATES
 2 SPECIFIED IN NOMINATIONS.—In the case of a designa-
 3 tion of an empowerment zone the nomination for which
 4 included a termination date which is contemporaneous
 5 with the date specified in subparagraph (A)(i) of section
 6 1391(d)(1) of the Internal Revenue Code of 1986 (as in
 7 effect before the enactment of this Act), subparagraph (B)
 8 of such section shall not apply with respect to such des-
 9 ignation if, after the date of the enactment of this section,
 10 the entity which made such nomination amends the nomi-
 11 nation to provide for a new termination date in such man-
 12 ner as the Secretary of the Treasury (or the Secretary’s
 13 designee) may provide.

14 (c) EFFECTIVE DATE.—The amendment made by
 15 this section shall apply to periods after December 31,
 16 2013.

17 **SEC. 230. EXTENSION OF TEMPORARY INCREASE IN LIMIT**
 18 **ON COVER OVER OF RUM EXCISE TAXES TO**
 19 **PUERTO RICO AND THE VIRGIN ISLANDS.**

20 (a) IN GENERAL.—Paragraph (1) of section 7652(f)
 21 is amended by striking “January 1, 2014” and inserting
 22 “January 1, 2015”.

23 (b) EFFECTIVE DATE.—The amendment made by
 24 this section shall apply to distilled spirits brought into the
 25 United States after December 31, 2013.

1 **SEC. 231. EXTENSION OF AMERICAN SAMOA ECONOMIC DE-**
 2 **VELOPMENT CREDIT.**

3 (a) IN GENERAL.—Subsection (d) of section 119 of
 4 division A of the Tax Relief and Health Care Act of 2006
 5 is amended—

6 (1) by striking “January 1, 2014” each place
 7 it appears and inserting “January 1, 2015”,

8 (2) by striking “first 8 taxable years” in para-
 9 graph (1) and inserting “first 9 taxable years”, and

10 (3) by striking “first 2 taxable years” in para-
 11 graph (2) and inserting “first 3 taxable years”.

12 (b) EFFECTIVE DATE.—The amendments made by
 13 this section shall apply to taxable years beginning after
 14 December 31, 2013.

15 **TITLE III—ENERGY TAX**
 16 **EXTENDERS**

17 **SEC. 301. EXTENSION OF CREDIT FOR ENERGY-EFFICIENT**
 18 **EXISTING HOMES.**

19 (a) IN GENERAL.—Paragraph (2) of section 25C(g)
 20 is amended by striking “December 31, 2013” and insert-
 21 ing “December 31, 2014”.

22 (b) EFFECTIVE DATE.—The amendment made by
 23 this section shall apply to property placed in service after
 24 December 31, 2013.

1 **SEC. 302. EXTENSION OF CREDIT FOR ALTERNATIVE FUEL**
2 **VEHICLE REFUELING PROPERTY.**

3 (a) IN GENERAL.—Subsection (g) of section 30C is
4 amended by striking “placed in service” and all that fol-
5 lows and inserting “placed in service after December 31,
6 2014.”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 this section shall apply to property placed in service after
9 December 31, 2013.

10 **SEC. 303. EXTENSION OF CREDIT FOR 2- OR 3-WHEELED**
11 **PLUG-IN ELECTRIC VEHICLES.**

12 (a) IN GENERAL.—Subparagraph (E) of section
13 30D(g)(3) is amended by striking “January 1, 2014” and
14 inserting “January 1, 2015”.

15 (b) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to vehicles acquired after Decem-
17 ber 31, 2013.

18 **SEC. 304. EXTENSION OF SECOND GENERATION BIOFUEL**
19 **PRODUCER CREDIT.**

20 (a) IN GENERAL.—Clause (i) of section 40(b)(6)(J)
21 is amended by striking “January 1, 2014” and inserting
22 “January 1, 2015”.

23 (b) EFFECTIVE DATE.—The amendment made by
24 this subsection shall apply to fuel sold or used after De-
25 cember 31, 2013.

1 **SEC. 305. EXTENSION OF INCENTIVES FOR BIODIESEL AND**
 2 **RENEWABLE DIESEL.**

3 (a) CREDITS FOR BIODIESEL AND RENEWABLE DIE-
 4 SEL USED AS FUEL.—Subsection (g) of section 40A is
 5 amended by striking “December 31, 2013” and inserting
 6 “December 31, 2014”.

7 (b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS
 8 FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIX-
 9 TURES.—

10 (1) Paragraph (6) of section 6426(c) is amend-
 11 ed by striking “December 31, 2013” and inserting
 12 “December 31, 2014”.

13 (2) Subparagraph (B) of section 6427(e)(6) is
 14 amended by striking “December 31, 2013” and in-
 15 serting “December 31, 2014”.

16 (c) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to fuel sold or used after December
 18 31, 2013.

19 **SEC. 306. EXTENSION OF PRODUCTION CREDIT FOR INDIAN**
 20 **COAL FACILITIES PLACED IN SERVICE BE-**
 21 **FORE 2009.**

22 (a) IN GENERAL.—Subparagraph (A) of section
 23 45(e)(10) is amended by striking “8-year period” each
 24 place it appears and inserting “9-year period”.

1 (b) EFFECTIVE DATE.—The amendment made by
 2 this section shall apply to coal produced after December
 3 31, 2013.

4 **SEC. 307. EXTENSION OF CREDITS WITH RESPECT TO FA-**
 5 **CILITIES PRODUCING ENERGY FROM CER-**
 6 **TAIN RENEWABLE RESOURCES.**

7 (a) IN GENERAL.—The following provisions of sec-
 8 tion 45(d) are each amended by striking “January 1,
 9 2014” each place it appears and inserting “January 1,
 10 2015”:

- 11 (1) Paragraph (1).
- 12 (2) Paragraph (2)(A).
- 13 (3) Paragraph (3)(A).
- 14 (4) Paragraph (4)(B).
- 15 (5) Paragraph (6).
- 16 (6) Paragraph (7).
- 17 (7) Paragraph (9).
- 18 (8) Paragraph (11)(B).

19 (b) EXTENSION OF ELECTION TO TREAT QUALIFIED
 20 FACILITIES AS ENERGY PROPERTY.—Clause (ii) of sec-
 21 tion 48(a)(5)(C) is amended by striking “January 1,
 22 2014” and inserting “January 1, 2015”.

23 (c) EFFECTIVE DATES.—The amendments made by
 24 this section shall take effect on January 1, 2014.

1 **SEC. 308. EXTENSION OF CREDIT FOR ENERGY-EFFICIENT**
2 **NEW HOMES.**

3 (a) IN GENERAL.—Subsection (g) of section 45L is
4 amended by striking “December 31, 2013” and inserting
5 “December 31, 2014”.

6 (b) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to homes acquired after December
8 31, 2013.

9 **SEC. 309. EXTENSION OF CREDITS FOR ENERGY-EFFICIENT**
10 **APPLIANCES.**

11 (a) IN GENERAL.—Subsection (b) of section 45M is
12 amended by striking “or 2013” each place it appears in
13 paragraphs (1)(E), (2)(F), and (3)(F) and inserting
14 “2013, or 2014”.

15 (b) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to appliances produced after De-
17 cember 31, 2013.

18 **SEC. 310. EXTENSION OF SPECIAL ALLOWANCE FOR SEC-**
19 **OND GENERATION BIOFUEL PLANT PROP-**
20 **ERTY.**

21 (a) IN GENERAL.—Subparagraph (D) of section
22 168(l)(2) is amended by striking “January 1, 2014” and
23 inserting “January 1, 2015”.

24 (b) EFFECTIVE DATE.—The amendment made by
25 this section shall apply to property placed in service after
26 December 31, 2013.

1 **SEC. 311. EXTENSION OF PLACED IN SERVICE DATE FOR**
2 **ELECTION TO EXPENSE CERTAIN REFIN-**
3 **ERIES.**

4 (a) IN GENERAL.—Subparagraph (B) of section
5 179C(c)(1) is amended by striking “January 1, 2014” and
6 inserting “January 1, 2015”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 this section shall apply to property placed in service after
9 December 31, 2013.

10 **SEC. 312. EXTENSION OF ENERGY EFFICIENT COMMERCIAL**
11 **BUILDINGS DEDUCTION.**

12 (a) IN GENERAL.—Subsection (h) of section 179D is
13 amended by striking “December 31, 2013” and inserting
14 “December 31, 2014”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to property placed in service after
17 December 31, 2013.

18 **SEC. 313. EXTENSION OF SPECIAL RULE FOR SALES OR DIS-**
19 **POSITIONS TO IMPLEMENT FERC OR STATE**
20 **ELECTRIC RESTRUCTURING POLICY FOR**
21 **QUALIFIED ELECTRIC UTILITIES.**

22 (a) IN GENERAL.—Paragraph (3) of section 451(i)
23 is amended by striking “January 1, 2014” and inserting
24 “January 1, 2015”.

1 (b) EFFECTIVE DATE.—The amendment made by
 2 this section shall apply to dispositions after December 31,
 3 2013.

4 **SEC. 314. EXTENSION OF ALTERNATIVE FUELS EXCISE TAX**
 5 **CREDITS.**

6 (a) IN GENERAL.—Sections 6426(d)(5) and
 7 6426(e)(3) are each amended by striking “December 31,
 8 2013” and inserting “December 31, 2014”.

9 (b) OUTLAY PAYMENTS FOR ALTERNATIVE
 10 FUELS.—Subparagraph (C) of section 6427(e)(6) is
 11 amended by striking “December 31, 2013” and inserting
 12 “December 31, 2014”.

13 (c) EFFECTIVE DATE.—The amendments made by
 14 this section shall apply to fuel sold or used after December
 15 31, 2013.

16 **SEC. 315. EXTENSION OF ALTERNATIVE FUELS EXCISE TAX**
 17 **CREDITS RELATING TO LIQUEFIED HYDRO-**
 18 **GEN.**

19 (a) IN GENERAL.—Sections 6426(d)(5) and
 20 6426(e)(3), as amended by this Act, are each amended
 21 by striking “2014 (September 30, 2014 in the case of any
 22 sale or use involving liquefied hydrogen)” and inserting
 23 “2014”.

24 (b) OUTLAY PAYMENTS FOR ALTERNATIVE
 25 FUELS.—Paragraph (6) of section 6427(e) is amended—

1 (1) by striking “except as provided in subpara-
2 graph (D), any” in subparagraph (C), as amended
3 by this Act, and inserting “any”, and

4 (2) by striking subparagraph (D) and redesign-
5 nating subparagraph (E) as subparagraph (D).

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to fuels sold or used after Sep-
8 tember 30, 2014.

Calendar No. 287

113TH CONGRESS
1ST Session

S. 1859

A BILL

To amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

DECEMBER 20, 2013

Read the second time and placed on the calendar