

114TH CONGRESS
1ST SESSION

H. R. 3545

To amend the Internal Revenue Code of 1986 to provide a credit for replacement costs associated with certain imported corrosive drywall, and to amend the Housing and Community Development Act of 1974 to allow use of community development block grant amounts for repairs to housing constructed using such corrosive drywall, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 17, 2015

Mr. JOLLY introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Financial Services, 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 amend the Internal Revenue Code of 1986 to provide a credit for replacement costs associated with certain imported corrosive drywall, and to amend the Housing and Community Development Act of 1974 to allow use of community development block grant amounts for repairs to housing constructed using such corrosive drywall, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Corrosive Drywall Re-
3 mediation Act”.

4 **SEC. 2. CREDIT FOR REPLACING CORROSIVE DRYWALL.**

5 (a) IN GENERAL.—Subpart A of part IV of sub-
6 chapter A of chapter 1 of the Internal Revenue Code of
7 1986 is amended by adding at the end the following:

8 **“SEC. 25E. CORROSIVE DRYWALL REPLACEMENT.**

9 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
10 dividual, there shall be allowed as a credit against the tax
11 imposed by this chapter for the taxable year an amount
12 equal to the qualified drywall replacement expenditures
13 the taxable year.

14 “(b) QUALIFIED DRYWALL REPLACEMENT EXPENDI-
15 TURES.—For purposes of this section, the term ‘qualified
16 drywall replacement expenditures’ means amounts paid
17 during the taxable year to repair damage to the taxpayer’s
18 personal residence or household appliance and for which
19 a deduction would, but for subsection (c), be allowable
20 under section 165 by reason of section 4 of Revenue Pro-
21 cedure 2010–36.

22 “(c) DENIAL OF DOUBLE BENEFIT.—No credit shall
23 be allowed under subsection (a) for any expenditure for
24 which a deduction or credit is allowed under any other
25 provision of this chapter.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 for subpart A of part IV of subchapter A of chapter 1
 3 of such Code is amended by adding at the end the fol-
 4 lowing:

“Sec. 25E. Corrosive drywall replacement.”.

5 (c) EFFECTIVE DATE.—The amendments made by
 6 this section shall apply to amounts paid before, on, or
 7 after the date of the enactment of this Act.

8 (d) WAIVER OF LIMITATION FOR CREDITS AND RE-
 9 FUNDS ATTRIBUTABLE TO THIS ACT.—If a credit or re-
 10 fund of any overpayment of tax resulting from the applica-
 11 tion of the amendment made by subsection (a) to a period
 12 before the date of enactment of this Act is prevented as
 13 of such date by the operation of any law or rule of law
 14 (including res judicata), such credit or refund may never-
 15 theless be allowed or made if the claim therefor is filed
 16 before the close of the 1-year period beginning on the date
 17 of the enactment of this Act.

18 **SEC. 3. USE OF COMMUNITY DEVELOPMENT BLOCK**
 19 **GRANTS FOR REMEDYING CORROSIVE**
 20 **DRYWALL.**

21 Section 105(a) of the Housing and Community De-
 22 velopment Act of 1974 (42 U.S.C. 5305(a)) is amended—

23 (1) in paragraph (24)(D), by striking “and” at
 24 the end;

1 (2) in paragraph (25), by striking the period at
2 the end and inserting “; and”; and

3 (3) by adding at the end the following new
4 paragraph:

5 “(26) activities necessary to remove or remedy
6 the use of corrosive drywall installed in housing (in-
7 cluding single-family and multifamily housing) dur-
8 ing construction or rehabilitation that occurred dur-
9 ing the period from 2001 through 2009; and for
10 purposes of this paragraph, the term ‘corrosive
11 drywall’ means drywall that is identified as problem
12 drywall under the two-step identification method
13 published by the Consumer Product Safety Commis-
14 sion and the Department of Housing and Urban De-
15 velopment in their interim guidance dated January
16 28, 2010.”.

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