II

115TH CONGRESS
2D SESSION

S. 2436

To amend the Internal Revenue Code of 1986 to limit the amount of certain qualified conservation contributions.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 15, 2018

Mr. DAINES (for himself and Ms. STABENOW) introduced the following bill; which was read twice and referred to the Committee on Finance

---

A BILL

To amend the Internal Revenue Code of 1986 to limit the amount of certain qualified conservation contributions.

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 ‘‘Charitable Conservation Easement Program Integrity Act of 2018’’.

SEC. 2. LIMITATION ON PARTNER'S DEDUCTION FOR QUALIFIED CONSERVATION CONTRIBUTIONS MADE BY PARTNERSHIP.

(a) IN GENERAL.—Section 170(h) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(7) LIMITATION ON PARTNERSHIP ALLOCATION OF CONTRIBUTIONS.—

"(A) IN GENERAL.—In the case of any qualified conservation contributions of any partnership (whether directly or as a distributive share of such contributions of another partnership), no amount of such contributions may be taken into account under this section by any partner of such partnership as a distributive share of such contributions if the aggregate amount so taken into account by such partner for the taxable year would (but for this paragraph) exceed 2.5 times such partner's adjusted basis in such partnership (determined as of the close of such taxable year and without regard to such contributions). The preceding sentence shall apply only with respect to the first 5 taxable years of such partner which end after the date on which such partner first became a partner in the partnership.

"(B) EXCEPTION FOR FAMILY PARTNERSHIPS.—Subparagraph (A) shall not apply with respect to any partnership if substantially all of the partnership interests in such partnership are held by individuals who are related within the meaning of section 152(d)(2).

"(C) REGULATIONS.—The Secretary shall prescribe such regulations or other guidance as may be necessary to carry out, and prevent the avoidance of, the purposes of this paragraph.".

(b) EFFECTIVE DATE.—This section shall apply to contributions made after December 23, 2016. No inference is intended as the appropriate treatment of contributions made on or before such date or as to any activity not described in section 170(h)(7) of the Internal Revenue Code of 1986, as added by this section.

○