

118TH CONGRESS
2D SESSION

S. 5641

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 SENATE OF THE UNITED STATES

DECEMBER 20 (legislative day, DECEMBER 16), 2024

Mr. BLUMENTHAL (for himself, Mr. MURPHY, and Ms. WARREN) 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 allow a credit against income tax for qualified conservation contributions which include National Scenic Trails.

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.**

4 This Act may be cited as the “Complete America’s
5 Great Trails Act”.

6 **SEC. 2. NATIONAL SCENIC TRAIL CONSERVATION CREDIT.**

7 (a) IN GENERAL.—Subpart B of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by adding at the end the following new
 2 section:

3 **“SEC. 30E. NATIONAL SCENIC TRAIL CONSERVATION CRED-**
 4 **IT.**

5 “(a) ALLOWANCE OF CREDIT.—There shall be al-
 6 lowed as a credit against the tax imposed by this chapter
 7 for the taxable year an amount equal to the fair market
 8 value of any National Scenic Trail conservation contribu-
 9 tion of the taxpayer for the taxable year.

10 “(b) NATIONAL SCENIC TRAIL CONSERVATION CON-
 11 TRIBUTION.—For purposes of this section—

12 “(1) IN GENERAL.—The term ‘National Scenic
 13 Trail conservation contribution’ means any qualified
 14 conservation contribution—

15 “(A) to the extent the qualified real prop-
 16 erty interest with respect to such contribution
 17 includes a National Scenic Trail (or portion
 18 thereof) and its trail corridor, and

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

21 “(2) NATIONAL SCENIC TRAIL.—The term ‘Na-
 22 tional Scenic Trail’ means any trail authorized and
 23 designated under section 5 of the National Trails
 24 System Act (16 U.S.C. 1244).

25 “(3) TRAIL CORRIDOR.—

“(A) IN GENERAL.—The term ‘trail corridor’ means so much of the corridor of a trail as is—

“(i) subject to subparagraph (B), not less than 50 feet wide on each side of such trail, and

“(ii) not greater than 2,640 feet wide.

“(B) EXCEPTIONS.—

“(i) LESS THAN 50 FEET WIDE ON A SIDE OF THE TRAIL.—In the case of an interest in real property of the taxpayer which includes less than 50 feet on either side of the trail, the trail corridor shall include the entire distance with respect to such interest on such side.

“(ii) BUILDING AND STRUCTURES NEAR THE TRAIL.—In the case of an interest in real property of the taxpayer which includes a residence or structure owned by the taxpayer which is located less than 50 feet from the trail, the trail corridor for the side of the trail on which the residence or structure is located shall include such distance from the trail as is determined appropriate by the taxpayer.

1 “(4) QUALIFIED CONSERVATION CONTRIBU-
 2 TION; QUALIFIED REAL PROPERTY INTEREST.—The
 3 terms ‘qualified conservation contribution’ and
 4 ‘qualified real property interest’ have the respective
 5 meanings given such terms by section 170(h), except
 6 that paragraph (2)(A) thereof shall be applied with-
 7 out regard to any qualified mineral interest (as de-
 8 fined in paragraph (6) thereof).

9 “(c) SPECIAL RULES.—

10 “(1) FAIR MARKET VALUE.—Fair market value
 11 of any National Scenic Trail conservation contribu-
 12 tion shall be determined in the same manner as
 13 qualified conservation contributions under section
 14 170, except that in any case, to the extent prac-
 15 ticable, fair market value shall be determined by ref-
 16 erence to the highest and best use of the real prop-
 17 erty with respect to such contribution.

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

20 “(3) DENIAL OF DOUBLE BENEFIT.—No deduc-
 21 tion shall be allowed under this chapter with respect
 22 to any qualified conservation contribution with re-
 23 spect to which an election is made under this sec-
 24 tion.

25 “(d) APPLICATION WITH OTHER CREDITS.—

1 “(1) BUSINESS CREDIT TREATED AS PART OF
 2 GENERAL BUSINESS CREDIT.—So much of the credit
 3 which would be allowed under subsection (a) for any
 4 taxable year (determined without regard to this sub-
 5 section) that is attributable to property used in a
 6 trade or business or held for the production of in-
 7 come shall be treated as a credit listed in section
 8 38(b) for such taxable year (and not allowed under
 9 subsection (a)).

10 “(2) PERSONAL CREDIT.—For purposes of this
 11 title, the credit allowed under subsection (a) for any
 12 taxable year (determined after the application of
 13 paragraph (1)) shall be treated as a credit allowable
 14 under subpart A for such taxable year.

15 “(e) CARRYFORWARD OF UNUSED CREDIT.—

16 “(1) IN GENERAL.—If the credit allowable
 17 under subsection (a) exceeds—

18 “(A) the limitation imposed by section
 19 26(a) for any taxable year, reduced by

20 “(B) the sum of the credits allowable
 21 under subpart A (other than this section) for
 22 the taxable year,

23 such excess shall be carried to the succeeding tax-
 24 able year and added to the credit allowable under
 25 subsection (a) for such succeeding taxable year.

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

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

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

20 (1) IN GENERAL.—The Secretary of the Inte-
 21 rior shall, in consultation with the Secretary of the
 22 Treasury, study—

23 (A) the efficacy of the National Scenic
 24 Trail conservation credit under section 30E of
 25 the Internal Revenue Code of 1986 in com-

1 pleting, extending, and increasing the number
 2 of National Scenic Trails (as defined in section
 3 30E(b) of such Code), and

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

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

8 (ii) allowing transfer of such credit.

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

13 (d) CONFORMING AMENDMENT.—The table of sec-
 14 tions for subpart B of part IV of subchapter A of chapter
 15 1 of such Code is amended by adding at the end the fol-
 16 lowing new item:

“30E. National Scenic Trail conservation credit.”.

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

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