

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

**“SEC. 6050X. RETURNS RELATING TO QUALIFIED MOTOR VEHICLE INTEREST RECEIVED IN TRADE OR BUSINESS FROM INDIVIDUALS.**

“(a) QUALIFIED MOTOR VEHICLE INTEREST.—Any person—

“(1) who is engaged in a trade or business, and

“(2) who, in the course of such trade or business, receives from any individual interest aggregating \$600 or more for any calendar year on any indebtedness secured by a qualified motor vehicle (as defined in section 163(h)(5)(D)),

shall make the return described in subsection (b) with respect to each individual from whom such interest was received at such time as the Secretary may by regulations prescribe.

“(b) FORM AND MANNER OF RETURNS.—A return is described in this subsection if such return—

“(1) is in such form as the Secretary may prescribe,

“(2) contains—

“(A) the name and address of the individual from whom the interest described in subsection (a)(2) was received,

“(B) the amount of such interest received for the calendar year, and

“(C) such other information as the Secretary may prescribe.

“(c) APPLICATION TO GOVERNMENTAL UNITS.—For purposes of subsection (a)—

“(1) TREATED AS PERSONS.—The term ‘person’ includes any governmental unit (and any agency or instrumentality thereof).

“(2) SPECIAL RULES.—In the case of a governmental unit or any agency or instrumentality thereof—

“(A) subsection (a) shall be applied without regard to the trade or business requirement contained therein, and

“(B) any return required under subsection (a) shall be made by the officer or employee appropriately designated for the purpose of making such return.

“(d) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required to be set forth in such return a written statement showing—

“(1) the name, address, and phone number of the information contact of the person required to make such return, and

“(2) the aggregate amount of interest described in subsection (a)(2) received by the person required to make such return from the individual to whom the statement is required to be furnished

The written statement required under the preceding sentence shall be furnished on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made.

“(e) RETURNS WHICH WOULD BE REQUIRED TO BE MADE BY 2 OR MORE PERSONS.—Except to the extent provided in regulations prescribed by the Secretary, in the case of interest received by any person on behalf of another person, only the person first receiving such interest shall be required to make the return under subsection (a).”

(2) AMENDMENTS RELATING TO PENALTIES.—(A) Section 6721(e)(2)(A) of such Code is amended by striking “or 6050L” and inserting “6050L, or 6050X”.

(B) Section 6722(c)(1)(A) of such Code is amended by striking “or 6050L(c)” and inserting “6050L(c), or 6050X(d)”.

(C) Subparagraph (B) of section 6724(d)(1) of such Code is amended by redesignating clauses (xvi) through (xxii) as clauses (xvii)

through (xxiii), respectively, and by inserting after clause (xii) the following new clause:

“(xvi) section 6050X (relating to returns relating to qualified motor vehicle interest received in trade or business from individuals),”.

(D) Paragraph (2) of section 6724(d) of such Code is amended by striking the period at the end of subparagraph (DD) and inserting “, or” and by inserting after subparagraph (DD) the following new subparagraph:

“(EE) section 6050X(d) (relating to returns relating to qualified motor vehicle interest received in trade or business from individuals).”.

(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 of such Code is amended by inserting after the item relating to section 6050W the following new item:

“Sec. 6050X. Returns relating to qualified motor vehicle interest received in trade or business from individuals.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

**SEC. —. ABOVE-THE-LINE DEDUCTION FOR STATE SALES TAX AND EXCISE TAX ON THE PURCHASE OF CERTAIN MOTOR VEHICLES.**

(a) IN GENERAL.—Subsection (a) of section 164 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (5) the following new paragraph:

“(6) Qualified motor vehicle taxes.”.

(b) QUALIFIED MOTOR VEHICLE TAXES.—Subsection (b) of section 164 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(6) QUALIFIED MOTOR VEHICLE TAXES.—

“(A) IN GENERAL.—For purposes of this section, the term ‘qualified motor vehicle taxes’ means any State or local sales or excise tax imposed on the purchase of a qualified motor vehicle (as defined in section 163(h)(5)(D)).

“(B) DOLLAR LIMITATION.—The amount taken into account under subparagraph (A) for any taxable year shall not exceed \$49,500 (\$24,750 in the case of a separate return by a married individual).

“(C) INCOME LIMITATION.—The amount otherwise taken into account under subparagraph (A) (after the application of subparagraph (B)) for any taxable year shall be reduced (but not below zero) by the amount which bears the same ratio to the amount which is so treated as—

“(i) the excess (if any) of—

“(I) the taxpayer’s modified adjusted gross income for such taxable year, over

“(II) \$125,000 (\$250,000 in the case of a joint return), bears to

“(ii) \$10,000.

For purposes of the preceding sentence, the term ‘modified adjusted gross income’ means the adjusted gross income of the taxpayer for the taxable year increased by any amount excluded from gross income under section 911, 931, or 933.

“(D) QUALIFIED MOTOR VEHICLE TAXES NOT INCLUDED IN COST OF ACQUIRED PROPERTY.—The last sentence of subsection (a) shall not apply to any qualified motor vehicle taxes.

“(E) COORDINATION WITH GENERAL SALES TAX.—This paragraph shall not apply in the case of a taxpayer who makes an election under paragraph (5) for the taxable year.”.

(c) CONFORMING AMENDMENTS.—Paragraph (5) of section 163(h) of the Internal Revenue Code of 1986, as added by section 1, is amended—

(1) by adding at the end the following new subparagraph:

“(E) EXCLUSION.—If the indebtedness described in subparagraph (A) includes the

amounts of any State or local sales or excise taxes paid or accrued by the taxpayer in connection with the acquisition of a qualified motor vehicle, the aggregate amount of such indebtedness taken into account under such subparagraph shall be reduced, but not below zero, by the amount of any such taxes for which a deduction is allowed under section 164(a) by reason of paragraph (6) thereof.”, and

(2) by inserting “, after the application of subparagraph (E),” after “for any period” in subparagraph (B).

(d) DEDUCTION ALLOWED ABOVE-THE-LINE.—Section 62(a) of the Internal Revenue Code of 1986, as amended by section 1, is amended by inserting after paragraph (22) the following new paragraph:

“(23) QUALIFIED MOTOR VEHICLE TAXES.—The deduction allowed under section 164 by reason of subsection (a)(6) thereof.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

**SA 105.** Mr. CASEY submitted an amendment intended to be proposed to amendment SA 98 proposed by Mr. INOUE (for himself and Mr. BAUCUS) to the bill H.R. 1, making supplemental appropriations for job preservation and creation, infrastructure investment, energy efficiency and science, assistance to the unemployed, and State and local fiscal stabilization, for fiscal year ending September 30, 2009, and for other purposes; which was ordered to lie on the table; as follows:

On page 428, between lines 11 and 12, insert the following:

**Subtitle D—Reports by the Government Accountability Office**

**SEC. 1551. REPORTS BY THE GOVERNMENT ACCOUNTABILITY OFFICE.**

(a) REPORTS BY INSPECTORS GENERAL.—The inspector general of each agency that receives funds appropriated under this Act, shall submit reports on the oversight activities of that inspector general with respect to such funds to the Government Accountability Office in a form, containing such information, and at such times as the Comptroller General of the United States may determine to enable the Comptroller General to submit the reports required under subsection (b).

(b) REPORTS BY THE GOVERNMENT ACCOUNTABILITY OFFICE.—

(1) IN GENERAL.—The Comptroller General of the United States shall submit 3 reports to Congress that contain—

(A) a summary of the oversight activities of the offices of inspectors general described under subsection (a) relating to funds appropriated under this Act; and

(B) an evaluation of the effectiveness of this Act.

(2) SUBMISSION DATES.—The reports under this subsection shall be submitted not later than—

(A) 120 days after the date of enactment of this Act;

(B) 180 days after that date of enactment; and

(C) 240 days after that date of enactment.

**PRIVILEGES OF THE FLOOR**

Mr. BAUCUS. Mr. President, I ask unanimous consent that the following fellows, detailees, and interns of the Finance Committee be allowed floor privileges during the consideration of the America Recovery and Reinvestment Act: Mary Baker, Randy Debastiani, Pete Harvey, Laura

Hoffmeister, Matt Kazan, Michael London, Bridget Mallon, Vincent Mascia, Toni Miles, Aris Prosetiyo, Leslee Soudrette, Dan Stein, and Kelly Whitener.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that legislative fellows in the office of Senator KENNEDY, Lauren Gilchrist, Craig Martinez, Stephanie Hammonds, Taryn Morrissey, Joe Hutter, and Elisabeth Jacobs be granted floor privileges during the consideration of H.R. 1.

The PRESIDING OFFICER. Without objection, it is so ordered.

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#### USERRA REGULATIONS

Mr. KAUFMAN. Mr. President, I ask unanimous consent that a communica-

tion to Senator BYRD from the Office of Compliance related to the USERRA regulations be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

OFFICE OF COMPLIANCE,  
Washington, DC, January 26, 2009.

Re USERRA regulations.

Hon. ROBERT C. BYRD,  
*President pro tempore, U.S. Senate, Hart Office Building, Washington, DC.*

DEAR SENATOR BYRD: Section 304(b)(3) of the Congressional Accountability Act of 1995 (CAA), 2 U.S.C. 1384(b)(3), requires that, with regard to substantive regulations under the CAA, after the Board has published a general notice of proposed rulemaking as required by subsection (b)(1), and received comments as required by subsection (b)(2), “the Board shall adopt regulations and shall transmit notice of such action together with a copy of such regulations to the Speaker of the House of Representatives and the President pro tempore of the Senate for publication in the Congressional Record on the first day on

which both Houses are in session following such transmittal.”

The Board of Directors of the Office of Compliance has adopted the proposed regulations in the Notice of Adoption of Substantive Regulations and Transmittal for Congressional Approval which accompany this transmittal letter. The Board requests that the accompanying Notice, “S” and “C” versions of the Adopted Regulations, and the Numbering Index be published in the Senate version of the Congressional Record on the first day on which both Houses are in session following receipt of this transmittal. The Board also requests that Congress approve the proposed Regulations, as further specified in the accompanying Notice.

Any inquiries regarding the accompanying Notice should be addressed to Tamara E. Chrisler, Executive Director of the Office of Compliance, 110 2nd Street, S.E., Room LA-200, Washington, D.C. 20540; 202-724-9250, TDD 202-426-1912.

Sincerely,

SUSAN S. ROBFOGEL,  
*Chair of the Board of Directors.*