

**AMENDMENT TO RULES COMMITTEE PRINT 116-2
OFFERED BY MR. HOLDING OF NORTH CAROLINA**

At the end of the bill (before the short title), insert
the following:

1 **TITLE XII—DISASTER TAX**
2 **RELIEF**

3 **SEC. 1201. DEFINITIONS.**

4 For purposes of this title—

5 (1) GENERAL DEFINITIONS.—

6 (A) QUALIFIED DISASTER AREA.—The
7 term “qualified disaster area” means the Hurri-
8 cane Florence disaster area; the Hurricane Mi-
9 chael disaster area; the Typhoon Mangkhut dis-
10 aster area; the Typhoon Yutu disaster area; the
11 Mendocino wildfire disaster area; the Camp and
12 Woolsey wildfire disaster area; the Kilauea vol-
13 canic eruption and earthquakes disaster area;
14 the Hawaii severe storms, flooding, landslides,
15 and mudslides disaster area; the Wisconsin se-
16 vere storms, tornadoes, straight-line winds,
17 flooding, and landslides disaster area; the Texas
18 severe storms and flooding disaster area; the
19 North Carolina tornado and severe storms dis-

1 aster area; the Indiana severe storms and flood-
2 ing disaster area; the Alabama severe storms
3 and tornadoes disaster area; and the Tropical
4 Storm Gita disaster area.

5 (B) QUALIFIED DISASTER ZONE.—The
6 term “qualified disaster zone” means that por-
7 tion of any qualified disaster area which is de-
8 termined by the President to warrant individual
9 or individual and public assistance from the
10 Federal Government under the Robert T. Staf-
11 ford Disaster Relief and Emergency Assistance
12 Act by reason of the qualified disaster with re-
13 spect to such disaster area.

14 (C) QUALIFIED DISASTER.—The term
15 “qualified disaster” means, with respect to any
16 qualified disaster area, the disaster by reason of
17 which a major disaster was declared with re-
18 spect to such area.

19 (2) HURRICANE FLORENCE.—

20 (A) HURRICANE FLORENCE DISASTER
21 AREA.—The term “Hurricane Florence disaster
22 area” means an area with respect to which a
23 major disaster has been declared by the Presi-
24 dent on or before December 17, 2018, under
25 section 401 of the Robert T. Stafford Disaster

1 Relief and Emergency Assistance Act by reason
2 of Hurricane Florence.

3 (B) INCIDENT BEGINNING DATE.—The in-
4 cident beginning date of Hurricane Florence is
5 September 7, 2018.

6 (C) INCIDENT PERIOD.—The incident pe-
7 riod of Hurricane Florence is the period begin-
8 ning on the incident beginning date of Hurri-
9 cane Florence and ending on October 8, 2018.

10 (3) HURRICANE MICHAEL.—

11 (A) HURRICANE MICHAEL DISASTER
12 AREA.—The term “Hurricane Michael disaster
13 area” means an area with respect to which a
14 major disaster has been declared by the Presi-
15 dent on or before December 17, 2018, under
16 section 401 of the Robert T. Stafford Disaster
17 Relief and Emergency Assistance Act by reason
18 of Hurricane Michael.

19 (B) INCIDENT BEGINNING DATE.—The in-
20 cident beginning date of Hurricane Michael is
21 October 7, 2018.

22 (C) INCIDENT PERIOD.—The incident pe-
23 riod of Hurricane Michael is the period begin-
24 ning on the incident beginning date of Hurri-
25 cane Michael and ending on October 23, 2018.

1 (4) TYPHOON MANGKHUT.—

2 (A) TYPHOON MANGKHUT DISASTER
3 AREA.—The term “Typhoon Mangkhut disaster
4 area” means an area with respect to which a
5 major disaster has been declared by the Presi-
6 dent on or before December 17, 2018, under
7 section 401 of the Robert T. Stafford Disaster
8 Relief and Emergency Assistance Act by reason
9 of Typhoon Mangkhut.

10 (B) INCIDENT BEGINNING DATE.—The in-
11 cident beginning date of Typhoon Mangkhut is
12 September 10, 2018.

13 (C) INCIDENT PERIOD.—The incident pe-
14 riod of Typhoon Mangkhut is the period begin-
15 ning on the incident beginning date of Typhoon
16 Mangkhut and ending on September 11, 2018.

17 (5) TYPHOON YUTU.—

18 (A) TYPHOON YUTU DISASTER AREA.—The
19 term “Typhoon Yutu disaster area” means an
20 area with respect to which a major disaster has
21 been declared by the President on or before De-
22 cember 17, 2018, under section 401 of the Rob-
23 ert T. Stafford Disaster Relief and Emergency
24 Assistance Act by reason of Typhoon Yutu.

1 (B) INCIDENT BEGINNING DATE.—The in-
2 cident beginning date of Typhoon Yutu is Octo-
3 ber 24, 2018.

4 (C) INCIDENT PERIOD.—The incident pe-
5 riod of Typhoon Yutu is the period beginning
6 on the incident beginning date of Typhoon Yutu
7 and ending on October 26, 2018.

8 (6) MENDOCINO WILDFIRE.—

9 (A) MENDOCINO WILDFIRE DISASTER
10 AREA.—The term “Mendocino wildfire disaster
11 area” means an area with respect to which,
12 during the period beginning on August 4, 2018,
13 and ending on December 17, 2018, a major dis-
14 aster has been declared by the President under
15 section 401 of the Robert T. Stafford Disaster
16 Relief and Emergency Assistance Act by reason
17 of the wildfire in California commonly known as
18 the Mendocino wildfire of 2018 (including the
19 Carr wildfire of 2018).

20 (B) INCIDENT BEGINNING DATE.—The in-
21 cident beginning date of the wildfires referred
22 to in subparagraph (A) is July 23, 2018.

23 (C) INCIDENT PERIOD.—The incident pe-
24 riod of the wildfires referred to in subparagraph
25 (A) is the period beginning on the incident be-

1 ginning date of such wildfires and ending on
2 September 19, 2018.

3 (7) CAMP AND WOOLSEY WILDFIRES.—

4 (A) CAMP AND WOOLSEY WILDFIRE DIS-
5 ASTER AREA.—The term “Camp and Woolsey
6 wildfire disaster area” means an area with re-
7 spect to which, during the period beginning on
8 November 12, 2018, and ending on December
9 17, 2018, a major disaster has been declared by
10 the President under section 401 of the Robert
11 T. Stafford Disaster Relief and Emergency As-
12 sistance Act by reason of the wildfires in Cali-
13 fornia commonly known as the Camp and Wool-
14 sey wildfires of 2018 (including the Hill wildfire
15 of 2018).

16 (B) INCIDENT BEGINNING DATE.—The in-
17 cident beginning date of the wildfires referred
18 to in subparagraph (A) is November 8, 2018.

19 (C) INCIDENT PERIOD.—The incident pe-
20 riod of the wildfires referred to in subparagraph
21 (A) is the period beginning on the incident be-
22 ginning date of such wildfires and ending on
23 November 25, 2018.

24 (8) KILAUEA VOLCANIC ERUPTION AND EARTH-
25 QUAKES.—

1 (A) KILAUEA VOLCANIC ERUPTION AND
2 EARTHQUAKES DISASTER AREA.—The term
3 “Kilauea volcanic eruption and earthquakes dis-
4 aster area” means an area with respect to
5 which, during the period beginning on May 11,
6 2018, and ending on December 17, 2018, a
7 major disaster has been declared by the Presi-
8 dent under section 401 of the Robert T. Staf-
9 ford Disaster Relief and Emergency Assistance
10 Act by reason of the Kilauea volcanic eruption
11 and earthquakes occurring in Hawaii during the
12 period beginning on May 3, 2018, and ending
13 on August 17, 2018.

14 (B) INCIDENT BEGINNING DATE.—The in-
15 cident beginning date of the volcanic eruption
16 and earthquakes referred to in subparagraph
17 (A) is May 3, 2018.

18 (C) INCIDENT PERIOD.—The incident pe-
19 riod of the volcanic eruption and earthquakes
20 referred to in subparagraph (A) is the period
21 beginning on the incident beginning date with
22 respect to such eruption and earthquakes and
23 ending on August 17, 2018.

24 (9) HAWAII SEVERE STORMS, FLOODING, LAND-
25 SLIDES, AND MUDSLIDES.—

1 (A) HAWAII SEVERE STORMS, FLOODING,
2 LANDSLIDES, AND MUDSLIDES DISASTER
3 AREA.—The term “Hawaii severe storms, flood-
4 ing, landslides, and mudslides disaster area”
5 means an area with respect to which, during
6 the period beginning on May 8, 2018, and end-
7 ing on December 17, 2018, a major disaster
8 has been declared by the President under sec-
9 tion 401 of the Robert T. Stafford Disaster Re-
10 lief and Emergency Assistance Act by reason of
11 the severe storms, flooding, landslides, and
12 mudslides occurring in Hawaii during the pe-
13 riod beginning on April 13, 2018, and ending
14 on April 16, 2018.

15 (B) INCIDENT BEGINNING DATE.—The in-
16 cident beginning date of the severe storms,
17 flooding, landslides, and mudslides referred to
18 in subparagraph (A) is April 13, 2018.

19 (C) INCIDENT PERIOD.—The incident pe-
20 riod of the severe storms, flooding, landslides,
21 and mudslides referred to in subparagraph (A)
22 is the period beginning on the incident begin-
23 ning date with respect to such severe storms,
24 flooding, landslides, and mudslides and ending
25 on April 16, 2018.

1 (10) WISCONSIN SEVERE STORMS, TORNADOES,
2 STRAIGHT-LINE WINDS, FLOODING, AND LAND-
3 SLIDES.—

4 (A) WISCONSIN SEVERE STORMS, TORNA-
5 DOES, STRAIGHT-LINE WINDS, FLOODING, AND
6 LANDSLIDES DISASTER AREA.—The term “Wis-
7 consin severe storms, tornadoes, straight-line
8 winds, flooding, and landslides disaster area”
9 means an area with respect to which, during
10 the period beginning on October 18, 2018, and
11 ending on December 17, 2018, a major disaster
12 has been declared by the President under sec-
13 tion 401 of the Robert T. Stafford Disaster Re-
14 lief and Emergency Assistance Act by reason of
15 the severe storms, tornadoes, straight-line
16 winds, flooding, and landslides occurring in
17 Wisconsin during the period beginning on Au-
18 gust 17, 2018, and ending on September 14,
19 2018.

20 (B) INCIDENT BEGINNING DATE.—The in-
21 cident beginning date of the severe storms, tor-
22 nadoes, straight-line winds, flooding, and land-
23 slides referred to in subparagraph (A) is Au-
24 gust 17, 2018.

1 (C) INCIDENT PERIOD.—The incident pe-
2 riod of the severe storms, tornadoes, straight-
3 line winds, flooding, and landslides referred to
4 in subparagraph (A) is the period beginning on
5 the incident beginning date with respect to such
6 severe storms, tornadoes, straight-line winds,
7 flooding, and landslides and ending on Sep-
8 tember 14, 2018.

9 (11) TEXAS SEVERE STORMS AND FLOODING.—

10 (A) TEXAS SEVERE STORMS AND FLOOD-
11 ING DISASTER AREA.—The term “Texas severe
12 storms and flooding disaster area” means an
13 area with respect to which, during the period
14 beginning on July 6, 2018, and ending on De-
15 cember 17, 2018, a major disaster has been de-
16 clared by the President under section 401 of
17 the Robert T. Stafford Disaster Relief and
18 Emergency Assistance Act by reason of the se-
19 vere storms and flooding occurring in Texas
20 during the period beginning on June 19, 2018,
21 and ending on July 13, 2018.

22 (B) INCIDENT BEGINNING DATE.—The in-
23 cident beginning date of the severe storms and
24 flooding referred to in subparagraph (A) is
25 June 19, 2018.

1 (C) INCIDENT PERIOD.—The incident pe-
2 riod of the severe storms and flooding referred
3 to in subparagraph (A) is the period beginning
4 on the incident beginning date with respect to
5 such severe storms and flooding and ending on
6 July 13, 2018.

7 (12) NORTH CAROLINA TORNADO AND SEVERE
8 STORMS.—

9 (A) NORTH CAROLINA TORNADO AND SE-
10 VERE STORMS DISASTER AREA.—The term
11 “North Carolina tornado and severe storms dis-
12 aster area” means an area with respect to
13 which, during the period beginning on May 8,
14 2018, and ending on December 17, 2018, a
15 major disaster has been declared by the Presi-
16 dent under section 401 of the Robert T. Staf-
17 ford Disaster Relief and Emergency Assistance
18 Act by reason of the tornado and severe storms
19 occurring in North Carolina on April 15, 2018.

20 (B) INCIDENT BEGINNING DATE; INCIDENT
21 PERIOD.—The incident beginning date, and the
22 incident period, of the tornado and severe
23 storms referred to in subparagraph (A) is April
24 15, 2018.

1 (13) INDIANA SEVERE STORMS AND FLOOD-
2 ING.—

3 (A) INDIANA SEVERE STORMS AND FLOOD-
4 ING DISASTER AREA.—The term “Indiana se-
5 vere storms and flooding disaster area” means
6 an area with respect to which, during the period
7 beginning on May 4, 2018, and ending on De-
8 cember 17, 2018, a major disaster has been de-
9 clared by the President under section 401 of
10 the Robert T. Stafford Disaster Relief and
11 Emergency Assistance Act by reason of the se-
12 vere storms and flooding occurring in Indiana
13 during the period beginning on February 14,
14 2018, and ending on March 4, 2018.

15 (B) INCIDENT BEGINNING DATE.—The in-
16 cident beginning date of the severe storms and
17 flooding referred to in subparagraph (A) is
18 February 14, 2018.

19 (C) INCIDENT PERIOD.—The incident pe-
20 riod of the severe storms and flooding referred
21 to in subparagraph (A) is the period beginning
22 on the incident beginning date with respect to
23 such severe storms and flooding and ending on
24 March 4, 2018.

1 (14) ALABAMA SEVERE STORMS AND TORNA-
2 DOES.—

3 (A) ALABAMA SEVERE STORMS AND TOR-
4 NADOES DISASTER AREA.—The term “Alabama
5 severe storms and tornadoes disaster area”
6 means an area with respect to which, during
7 the period beginning on April 26, 2018, and
8 ending on December 17, 2018, a major disaster
9 has been declared by the President under sec-
10 tion 401 of the Robert T. Stafford Disaster Re-
11 lief and Emergency Assistance Act by reason of
12 the severe storms and tornadoes occurring in
13 Alabama during the period beginning on March
14 19, 2018, and ending on March 20, 2018.

15 (B) INCIDENT BEGINNING DATE.—The in-
16 cident beginning date of the severe storms and
17 tornadoes referred to in subparagraph (A) is
18 March 19, 2018.

19 (C) INCIDENT PERIOD.—The incident pe-
20 riod of the severe storms and tornadoes referred
21 to in subparagraph (A) is the period beginning
22 on the incident beginning date with respect to
23 such severe storms and tornadoes and ending
24 on March 20, 2018.

25 (15) TROPICAL STORM GITA.—

1 (A) TROPICAL STORM GITA DISASTER
2 AREA.—The term “Tropical Storm Gita dis-
3 aster area” means an area with respect to
4 which a major disaster has been declared by the
5 President on or before December 17, 2018,
6 under section 401 of the Robert T. Stafford
7 Disaster Relief and Emergency Assistance Act
8 by reason of Tropical Storm Gita.

9 (B) INCIDENT BEGINNING DATE.—The in-
10 cident beginning date of Tropical Storm Gita is
11 February 7, 2018.

12 (C) INCIDENT PERIOD.—The incident pe-
13 riod of Tropical Storm Gita is the period begin-
14 ning on the incident beginning date of Tropical
15 Storm Gita and ending on February 12, 2018.

16 **SEC. 1202. SPECIAL DISASTER-RELATED RULES FOR USE OF**
17 **RETIREMENT FUNDS.**

18 (a) TAX-FAVORED WITHDRAWALS FROM RETIRE-
19 MENT PLANS.—

20 (1) IN GENERAL.—Section 72(t) of the Internal
21 Revenue Code of 1986 shall not apply to any quali-
22 fied disaster distribution.

23 (2) AGGREGATE DOLLAR LIMITATION.—

24 (A) IN GENERAL.—For purposes of this
25 subsection, the aggregate amount of distribu-

1 tions received by an individual which may be
2 treated as qualified disaster distributions for
3 any taxable year shall not exceed the excess (if
4 any) of—

5 (i) \$100,000, over

6 (ii) the aggregate amounts treated as
7 qualified disaster distributions received by
8 such individual for all prior taxable years.

9 (B) TREATMENT OF PLAN DISTRIBUTIONS.—If a distribution to an individual would
10 (without regard to subparagraph (A)) be a
11 qualified disaster distribution, a plan shall not
12 be treated as violating any requirement of the
13 Internal Revenue Code of 1986 merely because
14 the plan treats such distribution as a qualified
15 disaster distribution, unless the aggregate
16 amount of such distributions from all plans
17 maintained by the employer (and any member
18 of any controlled group which includes the em-
19 ployer) to such individual exceeds \$100,000.

21 (C) CONTROLLED GROUP.—For purposes
22 of subparagraph (B), the term “controlled
23 group” means any group treated as a single
24 employer under subsection (b), (c), (m), or (o)

1 of section 414 of the Internal Revenue Code of
2 1986.

3 (D) SPECIAL RULE FOR INDIVIDUALS AF-
4 FECTED BY MORE THAN ONE DISASTER.—The
5 limitation of subparagraph (A) shall be applied
6 separately with respect to distributions made
7 with respect to each qualified disaster which is
8 described in a separate paragraph of section
9 101.

10 (3) AMOUNT DISTRIBUTED MAY BE REPAID.—

11 (A) IN GENERAL.—Any individual who re-
12 ceives a qualified disaster distribution may, at
13 any time during the 3-year period beginning on
14 the day after the date on which such distribu-
15 tion was received, make 1 or more contributions
16 in an aggregate amount not to exceed the
17 amount of such distribution to an eligible retire-
18 ment plan of which such individual is a bene-
19 ficiary and to which a rollover contribution of
20 such distribution could be made under section
21 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or
22 457(e)(16), of the Internal Revenue Code of
23 1986, as the case may be.

24 (B) TREATMENT OF REPAYMENTS OF DIS-
25 TRIBUTIONS FROM ELIGIBLE RETIREMENT

1 PLANS OTHER THAN IRAS.—For purposes of
2 the Internal Revenue Code of 1986, if a con-
3 tribution is made pursuant to subparagraph (A)
4 with respect to a qualified disaster distribution
5 from an eligible retirement plan other than an
6 individual retirement plan, then the taxpayer
7 shall, to the extent of the amount of the con-
8 tribution, be treated as having received the
9 qualified disaster distribution in an eligible roll-
10 over distribution (as defined in section
11 402(c)(4) of such Code) and as having trans-
12 ferred the amount to the eligible retirement
13 plan in a direct trustee to trustee transfer with-
14 in 60 days of the distribution.

15 (C) TREATMENT OF REPAYMENTS OF DIS-
16 TRIBUTIONS FROM IRAS.—For purposes of the
17 Internal Revenue Code of 1986, if a contribu-
18 tion is made pursuant to subparagraph (A)
19 with respect to a qualified disaster distribution
20 from an individual retirement plan (as defined
21 by section 7701(a)(37) of such Code), then, to
22 the extent of the amount of the contribution,
23 the qualified disaster distribution shall be treat-
24 ed as a distribution described in section
25 408(d)(3) of such Code and as having been

1 transferred to the eligible retirement plan in a
2 direct trustee to trustee transfer within 60 days
3 of the distribution.

4 (4) DEFINITIONS.—For purposes of this sub-
5 section—

6 (A) QUALIFIED DISASTER DISTRIBUTION.—Except as provided in paragraph (2),
7 the term “qualified disaster distribution” means
8 any distribution from an eligible retirement
9 plan made on or after the incident beginning
10 date of a qualified disaster and before January
11 1, 2020, to an individual whose principal place
12 of abode at any time during the incident period
13 of such qualified disaster is located in the quali-
14 fied disaster area with respect to such qualified
15 disaster and who has sustained an economic
16 loss by reason of such qualified disaster.

17 (B) ELIGIBLE RETIREMENT PLAN.—The
18 term “eligible retirement plan” shall have the
19 meaning given such term by section
20 402(c)(8)(B) of the Internal Revenue Code of
21 1986.

22 (5) INCOME INCLUSION SPREAD OVER 3-YEAR
23 PERIOD.—
24

1 (A) IN GENERAL.—In the case of any
2 qualified disaster distribution, unless the tax-
3 payer elects not to have this paragraph apply
4 for any taxable year, any amount required to be
5 included in gross income for such taxable year
6 shall be so included ratably over the 3-taxable-
7 year period beginning with such taxable year.

8 (B) SPECIAL RULE.—For purposes of sub-
9 paragraph (A), rules similar to the rules of sub-
10 paragraph (E) of section 408A(d)(3) of the In-
11 ternal Revenue Code of 1986 shall apply.

12 (6) SPECIAL RULES.—

13 (A) EXEMPTION OF DISTRIBUTIONS FROM
14 TRUSTEE TO TRUSTEE TRANSFER AND WITH-
15 HOLDING RULES.—For purposes of sections
16 401(a)(31), 402(f), and 3405 of the Internal
17 Revenue Code of 1986, qualified disaster dis-
18 tributions shall not be treated as eligible roll-
19 over distributions.

20 (B) QUALIFIED DISASTER DISTRIBUTIONS
21 TREATED AS MEETING PLAN DISTRIBUTION RE-
22 QUIREMENTS.—For purposes the Internal Rev-
23 enue Code of 1986, a qualified disaster dis-
24 tribution shall be treated as meeting the re-
25 quirements of sections 401(k)(2)(B)(I),

1 403(b)(7)(A)(ii), 403(b)(11), and 457(d)(1)(A)
2 of such Code.

3 (b) RECONTRIBUTIONS OF WITHDRAWALS FOR
4 HOME PURCHASES.—

5 (1) RECONTRIBUTIONS.—

6 (A) IN GENERAL.—Any individual who re-
7 ceived a qualified distribution may, during the
8 applicable period, make 1 or more contributions
9 in an aggregate amount not to exceed the
10 amount of such qualified distribution to an eli-
11 gible retirement plan (as defined in section
12 402(c)(8)(B) of the Internal Revenue Code of
13 1986) of which such individual is a beneficiary
14 and to which a rollover contribution of such dis-
15 tribution could be made under section 402(c),
16 403(a)(4), 403(b)(8), or 408(d)(3), of such
17 Code, as the case may be.

18 (B) TREATMENT OF REPAYMENTS.—Rules
19 similar to the rules of subparagraphs (B) and
20 (C) of subsection (a)(3) shall apply for purposes
21 of this subsection.

22 (2) QUALIFIED DISTRIBUTION.—For purposes
23 of this subsection, the term “qualified distribution”
24 means any distribution—

1 (A) described in section
2 401(k)(2)(B)(i)(IV), 403(b)(7)(A)(ii) (but only
3 to the extent such distribution relates to finan-
4 cial hardship), 403(b)(11)(B), or 72(t)(2)(F),
5 of the Internal Revenue Code of 1986,

6 (B) which was to be used to purchase or
7 construct a principal residence in a qualified
8 disaster area, but which was not so used on ac-
9 count of the qualified disaster with respect to
10 such area, and

11 (C) which was received on or after January
12 1, 2018, and before the date which is 30 days
13 after the last day of the incident period of such
14 qualified disaster.

15 (3) APPLICABLE PERIOD.—For purposes of this
16 subsection, the term “applicable period” means, in
17 the case of a principal residence in a qualified dis-
18 aster area with respect to any qualified disaster, the
19 period beginning on the incident beginning date of
20 such qualified disaster and ending on February 28,
21 2019.

22 (c) LOANS FROM QUALIFIED PLANS.—

23 (1) INCREASE IN LIMIT ON LOANS NOT TREAT-
24 ED AS DISTRIBUTIONS.—In the case of any loan
25 from a qualified employer plan (as defined under

1 section 72(p)(4) of the Internal Revenue Code of
2 1986) to a qualified individual made during the pe-
3 riod beginning on the date of the enactment of this
4 Act and ending on December 31, 2019—

5 (A) clause (i) of section 72(p)(2)(A) of
6 such Code shall be applied by substituting
7 “\$100,000” for “\$50,000”, and

8 (B) clause (ii) of such section shall be ap-
9 plied by substituting “the present value of the
10 nonforfeitable accrued benefit of the employee
11 under the plan” for “one-half of the present
12 value of the nonforfeitable accrued benefit of
13 the employee under the plan”.

14 (2) DELAY OF REPAYMENT.—In the case of a
15 qualified individual (with respect to any qualified
16 disaster) with an outstanding loan on or after the
17 incident beginning date (of such qualified disaster)
18 from a qualified employer plan (as defined in section
19 72(p)(4) of the Internal Revenue Code of 1986)—

20 (A) if the due date pursuant to subpara-
21 graph (B) or (C) of section 72(p)(2) of such
22 Code for any repayment with respect to such
23 loan occurs during the period beginning on the
24 incident beginning date of such qualified dis-

1 aster and ending on December 31, 2019, such
2 due date shall be delayed for 1 year,

3 (B) any subsequent repayments with re-
4 spect to any such loan shall be appropriately
5 adjusted to reflect the delay in the due date
6 under paragraph (1) and any interest accruing
7 during such delay, and

8 (C) in determining the 5-year period and
9 the term of a loan under subparagraph (B) or
10 (C) of section 72(p)(2) of such Code, the period
11 described in subparagraph (A) of this para-
12 graph shall be disregarded.

13 (3) QUALIFIED INDIVIDUAL.—For purposes of
14 this subsection, the term “qualified individual”
15 means any individual—

16 (A) whose principal place of abode at any
17 time during the incident period of any qualified
18 disaster is located in the qualified disaster area
19 with respect to such qualified disaster, and

20 (B) who has sustained an economic loss by
21 reason of such qualified disaster.

22 (d) PROVISIONS RELATING TO PLAN AMEND-
23 MENTS.—

24 (1) IN GENERAL.—If this subsection applies to
25 any amendment to any plan or annuity contract,

1 such plan or contract shall be treated as being oper-
2 ated in accordance with the terms of the plan during
3 the period described in paragraph (2)(B)(i).

4 (2) AMENDMENTS TO WHICH SUBSECTION AP-
5 PLIES.—

6 (A) IN GENERAL.—This subsection shall
7 apply to any amendment to any plan or annuity
8 contract which is made—

9 (i) pursuant to any provision of this
10 section, or pursuant to any regulation
11 issued by the Secretary or the Secretary of
12 Labor under any provision of this section,
13 and

14 (ii) on or before the last day of the
15 first plan year beginning on or after Janu-
16 ary 1, 2020, or such later date as the Sec-
17 retary may prescribe.

18 In the case of a governmental plan (as defined
19 in section 414(d) of the Internal Revenue Code
20 of 1986), clause (ii) shall be applied by sub-
21 stituting the date which is 2 years after the
22 date otherwise applied under clause (ii).

23 (B) CONDITIONS.—This subsection shall
24 not apply to any amendment unless—

25 (i) during the period—

1 (I) beginning on the date that
2 this section or the regulation de-
3 scribed in subparagraph (A)(i) takes
4 effect (or in the case of a plan or con-
5 tract amendment not required by this
6 section or such regulation, the effec-
7 tive date specified by the plan), and
8 (II) ending on the date described
9 in subparagraph (A)(ii) (or, if earlier,
10 the date the plan or contract amend-
11 ment is adopted),
12 the plan or contract is operated as if such plan
13 or contract amendment were in effect, and
14 (ii) such plan or contract amendment
15 applies retroactively for such period.

16 **SEC. 1203. EMPLOYEE RETENTION CREDIT FOR EMPLOY-**
17 **ERS AFFECTED BY QUALIFIED DISASTERS.**

18 (a) IN GENERAL.—For purposes of section 38 of the
19 Internal Revenue Code of 1986, in the case of an eligible
20 employer, the 2018 qualified disaster employee retention
21 credit shall be treated as a credit listed in subsection (b)
22 of such section. For purposes of this subsection, the 2018
23 qualified disaster employee retention credit for any taxable
24 year is an amount equal to 40 percent of the qualified
25 wages with respect to each eligible employee of such em-

1 ployer for such taxable year. For purposes of the pre-
2 ceding sentence, the amount of qualified wages which may
3 be taken into account with respect to any individual shall
4 not exceed \$6,000.

5 (b) DEFINITIONS.—For purposes of this section—

6 (1) ELIGIBLE EMPLOYER.—The term “eligible
7 employer” means any employer—

8 (A) which conducted an active trade or
9 business in a qualified disaster zone at any time
10 during the incident period of the qualified dis-
11 aster with respect to such qualified disaster
12 zone, and

13 (B) with respect to whom the trade or
14 business described in subparagraph (A) is inop-
15 erable at any time after the incident beginning
16 date of such qualified disaster, and before Jan-
17 uary 1, 2019, as a result of damage sustained
18 by reason of such qualified disaster.

19 (2) ELIGIBLE EMPLOYEE.—The term “eligible
20 employee” means with respect to an eligible em-
21 ployer an employee whose principal place of employ-
22 ment at any time during the incident period of the
23 qualified disaster referred to in paragraph (1) with
24 such eligible employer was in the qualified disaster
25 zone referred to in such paragraph.

1 (3) QUALIFIED WAGES.—The term “qualified
2 wages” means wages (as defined in section 51(c)(1)
3 of the Internal Revenue Code of 1986, but without
4 regard to section 3306(b)(2)(B) of such Code) paid
5 or incurred by an eligible employer with respect to
6 an eligible employee at any time after the incident
7 beginning date of the qualified disaster referred to
8 in paragraph (1), and before January 1, 2019,
9 which occurs during the period—

10 (A) beginning on the date on which the
11 trade or business described in paragraph (1)
12 first became inoperable at the principal place of
13 employment of the employee immediately before
14 the qualified disaster referred to in such para-
15 graph, and

16 (B) ending on the date on which such
17 trade or business has resumed significant oper-
18 ations at such principal place of employment.

19 Such term shall include wages paid without regard
20 to whether the employee performs no services, per-
21 forms services at a different place of employment
22 than such principal place of employment, or per-
23 forms services at such principal place of employment
24 before significant operations have resumed.

1 (c) CERTAIN RULES TO APPLY.—For purposes of
2 this subsection, rules similar to the rules of sections
3 51(i)(1), 52, and 280C(a), of the Internal Revenue Code
4 of 1986, shall apply.

5 (d) EMPLOYEE NOT TAKEN INTO ACCOUNT MORE
6 THAN ONCE.—An employee shall not be treated as an eli-
7 gible employee for purposes of this subsection for any pe-
8 riod with respect to any employer if such employer is al-
9 lowed a credit under section 51 of the Internal Revenue
10 Code of 1986 with respect to such employee for such pe-
11 riod.

12 **SEC. 1204. OTHER DISASTER-RELATED TAX RELIEF PROVI-**
13 **SIONS.**

14 (a) TEMPORARY SUSPENSION OF LIMITATIONS ON
15 CHARITABLE CONTRIBUTIONS.—

16 (1) IN GENERAL.—Except as otherwise pro-
17 vided in paragraph (2), subsection (b) of section 170
18 of the Internal Revenue Code of 1986 shall not
19 apply to qualified contributions and such contribu-
20 tions shall not be taken into account for purposes of
21 applying subsections (b) and (d) of such section to
22 other contributions.

23 (2) TREATMENT OF EXCESS CONTRIBUTIONS.—
24 For purposes of section 170 of the Internal Revenue
25 Code of 1986—

1 (A) INDIVIDUALS.—In the case of an indi-
2 vidual—

3 (i) LIMITATION.—Any qualified con-
4 tribution shall be allowed only to the ex-
5 tent that the aggregate of such contribu-
6 tions does not exceed the excess of the tax-
7 payer's contribution base (as defined in
8 subparagraph (H) of section 170(b)(1) of
9 such Code) over the amount of all other
10 charitable contributions allowed under sec-
11 tion 170(b)(1) of such Code.

12 (ii) CARRYOVER.—If the aggregate
13 amount of qualified contributions made in
14 the contribution year (within the meaning
15 of section 170(d)(1) of such Code) exceeds
16 the limitation of clause (i), such excess
17 shall be added to the excess described in
18 the portion of subparagraph (A) of such
19 section which precedes clause (i) thereof
20 for purposes of applying such section.

21 (B) CORPORATIONS.—In the case of a cor-
22 poration—

23 (i) LIMITATION.—Any qualified con-
24 tribution shall be allowed only to the ex-
25 tent that the aggregate of such contribu-

1 tions does not exceed the excess of the tax-
2 payer’s taxable income (as determined
3 under paragraph (2) of section 170(b) of
4 such Code) over the amount of all other
5 charitable contributions allowed under such
6 paragraph.

7 (ii) CARRYOVER.—Rules similar to the
8 rules of subparagraph (A)(ii) shall apply
9 for purposes of this subparagraph.

10 (3) QUALIFIED CONTRIBUTIONS.—

11 (A) IN GENERAL.—For purposes of this
12 subsection, the term “qualified contribution”
13 means any charitable contribution (as defined
14 in section 170(c) of the Internal Revenue Code
15 of 1986) if—

16 (i) such contribution—

17 (I) is paid during the period be-
18 ginning on February 7, 2018, and
19 ending on December 31, 2018, in cash
20 to an organization described in section
21 170(b)(1)(A) of such Code, and

22 (II) is made for relief efforts in
23 one or more qualified disaster areas,

24 (ii) the taxpayer obtains from such or-
25 ganization contemporaneous written ac-

1 knowledge (within the meaning of sec-
2 tion 170(f)(8) of such Code) that such con-
3 tribution was used (or is to be used) for
4 relief efforts described in clause (i)(II),
5 and

6 (iii) the taxpayer has elected the ap-
7 plication of this subsection with respect to
8 such contribution.

9 (B) EXCEPTION.—Such term shall not in-
10 clude a contribution by a donor if the contribu-
11 tion is—

12 (i) to an organization described in sec-
13 tion 509(a)(3) of the Internal Revenue
14 Code of 1986, or

15 (ii) for the establishment of a new, or
16 maintenance of an existing, donor advised
17 fund (as defined in section 4966(d)(2) of
18 such Code).

19 (C) APPLICATION OF ELECTION TO PART-
20 NERSHIPS AND S CORPORATIONS.—In the case
21 of a partnership or S corporation, the election
22 under subparagraph (A)(iii) shall be made sepa-
23 rately by each partner or shareholder.

24 (b) SPECIAL RULES FOR QUALIFIED DISASTER-RE-
25 LATED PERSONAL CASUALTY LOSSES.—

1 (1) IN GENERAL.—If an individual has a net
2 disaster loss for any taxable year—

3 (A) the amount determined under section
4 165(h)(2)(A)(ii) of the Internal Revenue Code
5 of 1986 shall be equal to the sum of—

6 (i) such net disaster loss, and

7 (ii) so much of the excess referred to
8 in the matter preceding clause (i) of sec-
9 tion 165(h)(2)(A) of such Code (reduced
10 by the amount in clause (i) of this sub-
11 paragraph) as exceeds 10 percent of the
12 adjusted gross income of the individual,

13 (B) section 165(h)(1) of such Code shall
14 be applied by substituting “\$500” for “\$500
15 (\$100 for taxable years beginning after Decem-
16 ber 31, 2009”),

17 (C) the standard deduction determined
18 under section 63(c) of such Code shall be in-
19 creased by the net disaster loss, and

20 (D) section 56(b)(1)(E) of such Code shall
21 not apply to so much of the standard deduction
22 as is attributable to the increase under sub-
23 paragraph (C) of this paragraph.

24 (2) NET DISASTER LOSS.—For purposes of this
25 subsection, the term “net disaster loss” means the

1 excess of qualified disaster-related personal casualty
2 losses over personal casualty gains (as defined in
3 section 165(h)(3)(A) of the Internal Revenue Code
4 of 1986).

5 (3) QUALIFIED DISASTER-RELATED PERSONAL
6 CASUALTY LOSSES.—For purposes of this sub-
7 section, the term “qualified disaster-related personal
8 casualty losses” means losses described in section
9 165(c)(3) of the Internal Revenue Code of 1986
10 which arise in a qualified disaster area on or after
11 the incident beginning date of the qualified disaster
12 to which such area relates, and which are attrib-
13 utable to such qualified disaster.

14 (c) SPECIAL RULE FOR DETERMINING EARNED IN-
15 COME.—

16 (1) IN GENERAL.—In the case of a qualified in-
17 dividual, if the earned income of the taxpayer for the
18 applicable taxable year is less than the earned in-
19 come of the taxpayer for the preceding taxable year,
20 the credits allowed under sections 24(d) and 32 of
21 the Internal Revenue Code of 1986 may, at the elec-
22 tion of the taxpayer, be determined by sub-
23 stituting—

24 (A) such earned income for the preceding
25 taxable year, for

1 (B) such earned income for the applicable
2 taxable year.

3 (2) QUALIFIED INDIVIDUAL.—For purposes of
4 this subsection, the term “qualified individual”
5 means any individual whose principal place of abode
6 at any time during the incident period of any quali-
7 fied disaster was located—

8 (A) in the qualified disaster zone with re-
9 spect to such qualified disaster, or

10 (B) in the qualified disaster area with re-
11 spect to such qualified disaster (but outside the
12 qualified disaster zone with respect to such
13 qualified disaster) and such individual was dis-
14 placed from such principal place of abode by
15 reason of such qualified disaster.

16 (3) APPLICABLE TAXABLE YEAR.—The term
17 “applicable taxable year” means, with respect to any
18 qualified individual, any taxable year which includes
19 any day during the incident period of the qualified
20 disaster to which the qualified disaster area referred
21 to in paragraph (2) relates.

22 (4) EARNED INCOME.—For purposes of this
23 subsection, the term “earned income” has the mean-
24 ing given such term under section 32(c) of the Inter-
25 nal Revenue Code of 1986.

1 (5) SPECIAL RULES.—

2 (A) APPLICATION TO JOINT RETURNS.—

3 For purposes of paragraph (1), in the case of
4 a joint return for an applicable taxable year—

5 (i) such paragraph shall apply if ei-
6 ther spouse is a qualified individual, and

7 (ii) the earned income of the taxpayer
8 for the preceding taxable year shall be the
9 sum of the earned income of each spouse
10 for such preceding taxable year.

11 (B) UNIFORM APPLICATION OF ELEC-
12 TION.—Any election made under paragraph (1)
13 shall apply with respect to both sections 24(d)
14 and 32 of the Internal Revenue Code of 1986.

15 (C) ERRORS TREATED AS MATHEMATICAL
16 ERROR.—For purposes of section 6213 of the
17 Internal Revenue Code of 1986, an incorrect
18 use on a return of earned income pursuant to
19 paragraph (1) shall be treated as a mathe-
20 matical or clerical error.

21 (D) NO EFFECT ON DETERMINATION OF
22 GROSS INCOME, ETC.—Except as otherwise pro-
23 vided in this subsection, the Internal Revenue
24 Code of 1986 shall be applied without regard to
25 any substitution under paragraph (1).

1 **SEC. 1205. TREATMENT OF CERTAIN POSSESSIONS.**

2 (a) PAYMENTS TO GUAM AND THE COMMONWEALTH
3 OF THE NORTHERN MARIANA ISLANDS.—The Secretary
4 of the Treasury shall pay to Guam and the Commonwealth
5 of the Northern Mariana Islands amounts equal to the loss
6 to that possession by reason of the application of the pro-
7 visions of this title. Such amounts shall be determined by
8 the Secretary of the Treasury based on information pro-
9 vided by the government of the respective possession.

10 (b) PAYMENTS TO AMERICAN SAMOA.—

11 (1) IN GENERAL.—The Secretary of the Treas-
12 ury shall pay to American Samoa amounts estimated
13 by the Secretary of the Treasury as being equal to
14 the aggregate benefits that would have been pro-
15 vided to residents of American Samoa by reason of
16 the provisions of this title if a mirror code tax sys-
17 tem had been in effect in American Samoa. The pre-
18 ceding sentence shall not apply unless American
19 Samoa has a plan, which has been approved by the
20 Secretary of the Treasury, under which American
21 Samoa will promptly distribute such payments to its
22 residents.

23 (2) MIRROR CODE TAX SYSTEM.—For purposes
24 of this subsection, the term “mirror code tax sys-
25 tem” means, with respect to any possession of the
26 United States, the income tax system of such posses-

1 sion if the income tax liability of the residents of
2 such possession under such system is determined by
3 reference to the income tax laws of the United
4 States as if such possession were the United States.

5 (c) TREATMENT OF PAYMENTS.—For purposes of
6 section 1324 of title 31, United States Code, the payments
7 under this section shall be treated in the same manner
8 as a refund due from a credit provision referred to in sub-
9 section (b)(2) of such section.

10 **SEC. 1206. AUTOMATIC EXTENSION OF FILING DEADLINE.**

11 (a) IN GENERAL.—Section 7508A is amended by
12 adding at the end the following new subsection:

13 “(d) MANDATORY 60-DAY EXTENSION.—In the case
14 of—

15 “(1) any individual whose principal place of
16 abode is in a disaster area (as defined in section
17 165(i)(5)(B)), and

18 “(2) any taxpayer if the taxpayer’s principal
19 place of business (other than the business of per-
20 forming services of an employee) is located in a dis-
21 aster area (as so defined),

22 the period beginning on the earliest incident date specified
23 in the declaration to which such area relates and ending
24 on the date which is 60 days after the latest incident date

1 so specified shall be disregarded in the same manner as
2 a period specified under subsection (a).”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 this section shall apply to Federally declared disasters de-
5 clared after December 31, 2017.

