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:

TITLE XII—DISASTER TAX RELIEF

SEC. 1201. DEFINITIONS.

For purposes of this title—

(1) GENERAL DEFINITIONS.—

(A) QUALIFIED DISASTER AREA.—The term “qualified disaster area” means the Hurricane Florence disaster area; the Hurricane Michael disaster area; the Typhoon Mangkhut disaster area; the Typhoon Yutu disaster area; the Mendocino wildfire disaster area; the Camp and Woolsey wildfire disaster area; the Kilauea volcanic eruption and earthquakes disaster area; the Hawaii severe storms, flooding, landslides, and mudslides disaster area; the Wisconsin severe storms, tornadoes, straight-line winds, flooding, and landslides disaster area; the Texas severe storms and flooding disaster area; the North Carolina tornado and severe storms dis-
aster area; the Indiana severe storms and flooding disaster area; the Alabama severe storms and tornadoes disaster area; and the Tropical Storm Gita disaster area.

(B) QUALIFIED DISASTER ZONE.—The term “qualified disaster zone” means that portion of any qualified disaster area which is determined by the President to warrant individual or individual and public assistance from the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the qualified disaster with respect to such disaster area.

(C) QUALIFIED DISASTER.—The term “qualified disaster” means, with respect to any qualified disaster area, the disaster by reason of which a major disaster was declared with respect to such area.

(2) HURRICANE FLORENCE.—

(A) HURRICANE FLORENCE DISASTER AREA.—The term “Hurricane Florence disaster area” means an area with respect to which a major disaster has been declared by the President on or before December 17, 2018, under section 401 of the Robert T. Stafford Disaster
Relief and Emergency Assistance Act by reason of Hurricane Florence.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of Hurricane Florence is September 7, 2018.

(C) INCIDENT PERIOD.—The incident period of Hurricane Florence is the period beginning on the incident beginning date of Hurricane Florence and ending on October 8, 2018.

(3) HURRICANE MICHAEL.—

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

(B) INCIDENT BEGINNING DATE.—The incident beginning date of Hurricane Michael is October 7, 2018.

(C) INCIDENT PERIOD.—The incident period of Hurricane Michael is the period beginning on the incident beginning date of Hurricane Michael and ending on October 23, 2018.
(4) Typhoon Mangkhut.—

(A) Typhoon Mangkhut disaster area.—The term “Typhoon Mangkhut disaster area” means an area with respect to which a major disaster has been declared by the President on or before December 17, 2018, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Typhoon Mangkhut.

(B) Incident beginning date.—The incident beginning date of Typhoon Mangkhut is September 10, 2018.

(C) Incident period.—The incident period of Typhoon Mangkhut is the period beginning on the incident beginning date of Typhoon Mangkhut and ending on September 11, 2018.

(5) Typhoon Yutu.—

(A) Typhoon Yutu disaster area.—The term “Typhoon Yutu disaster area” means an area with respect to which a major disaster has been declared by the President on or before December 17, 2018, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Typhoon Yutu.
(B) INCIDENT BEGINNING DATE.—The incident beginning date of Typhoon Yutu is October 24, 2018.

(C) INCIDENT PERIOD.—The incident period of Typhoon Yutu is the period beginning on the incident beginning date of Typhoon Yutu and ending on October 26, 2018.

(6) MENDOCINO WILDFIRE.—

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

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

(C) INCIDENT PERIOD.—The incident period of the wildfires referred to in subparagraph (A) is the period beginning on the incident be-
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beginning date of such wildfires and ending on September 19, 2018.

(7) Camp and Woolsey Wildfires.—

(A) Camp and Woolsey Wildfire Disaster Area.—The term “Camp and Woolsey wildfire disaster area” means an area with respect to which, during the period beginning on November 12, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the wildfires in California commonly known as the Camp and Woolsey wildfires of 2018 (including the Hill wildfire of 2018).

(B) Incident Beginning Date.—The incident beginning date of the wildfires referred to in subparagraph (A) is November 8, 2018.

(C) Incident Period.—The incident period of the wildfires referred to in subparagraph (A) is the period beginning on the incident beginning date of such wildfires and ending on November 25, 2018.

(8) Kilauea Volcanic Eruption and Earthquakes.—
(A) Kilauea Volcanic Eruption and Earthquakes Disaster Area.—The term “Kilauea volcanic eruption and earthquakes disaster area” means an area with respect to which, during the period beginning on May 11, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the Kilauea volcanic eruption and earthquakes occurring in Hawaii during the period beginning on May 3, 2018, and ending on August 17, 2018.

(B) Incident Beginning Date.—The incident beginning date of the volcanic eruption and earthquakes referred to in subparagraph (A) is May 3, 2018.

(C) Incident Period.—The incident period of the volcanic eruption and earthquakes referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such eruption and earthquakes and ending on August 17, 2018.

(9) Hawaii Severe Storms, Flooding, Landslides, and Mudslides.—
(A) HAWAII SEVERE STORMS, FLOODING, LANDSLIDES, AND MUDSLIDES DISASTER AREA.—The term “Hawaii severe storms, flooding, landslides, and mudslides disaster area” means an area with respect to which, during the period beginning on May 8, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the severe storms, flooding, landslides, and mudslides occurring in Hawaii during the period beginning on April 13, 2018, and ending on April 16, 2018.

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

(C) INCIDENT PERIOD.—The incident period of the severe storms, flooding, landslides, and mudslides referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such severe storms, flooding, landslides, and mudslides and ending on April 16, 2018.
(10) Wisconsin severe storms, tornadoes, straight-line winds, flooding, and landslides.—

(A) Wisconsin severe storms, tornadoes, straight-line winds, flooding, and landslides disaster area.—The term “Wisconsin severe storms, tornadoes, straight-line winds, flooding, and landslides disaster area” means an area with respect to which, during the period beginning on October 18, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the severe storms, tornadoes, straight-line winds, flooding, and landslides occurring in Wisconsin during the period beginning on August 17, 2018, and ending on September 14, 2018.

(B) Incident beginning date.—The incident beginning date of the severe storms, tornadoes, straight-line winds, flooding, and landslides referred to in subparagraph (A) is August 17, 2018.
(C) INCIDENT PERIOD.—The incident period of the severe storms, tornadoes, straight-line winds, flooding, and landslides referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such severe storms, tornadoes, straight-line winds, flooding, and landslides and ending on September 14, 2018.

(11) TEXAS SEVERE STORMS AND FLOODING.—

(A) TEXAS SEVERE STORMS AND FLOODING DISASTER AREA.—The term “Texas severe storms and flooding disaster area” means an area with respect to which, during the period beginning on July 6, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the severe storms and flooding occurring in Texas during the period beginning on June 19, 2018, and ending on July 13, 2018.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the severe storms and flooding referred to in subparagraph (A) is June 19, 2018.
(C) INCIDENT PERIOD.—The incident period of the severe storms and flooding referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such severe storms and flooding and ending on July 13, 2018.

(12) NORTH CAROLINA TORNADO AND SEVERE STORMS.—

(A) NORTH CAROLINA TORNADO AND SEVERE STORMS DISASTER AREA.—The term “North Carolina tornado and severe storms disaster area” means an area with respect to which, during the period beginning on May 8, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the tornado and severe storms occurring in North Carolina on April 15, 2018.

(B) INCIDENT BEGINNING DATE; INCIDENT PERIOD.—The incident beginning date, and the incident period, of the tornado and severe storms referred to in subparagraph (A) is April 15, 2018.
(13) INDIANA SEVERE STORMS AND FLOODING.—

(A) INDIANA SEVERE STORMS AND FLOODING DISASTER AREA.—The term “Indiana severe storms and flooding disaster area” means an area with respect to which, during the period beginning on May 4, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the severe storms and flooding occurring in Indiana during the period beginning on February 14, 2018, and ending on March 4, 2018.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the severe storms and flooding referred to in subparagraph (A) is February 14, 2018.

(C) INCIDENT PERIOD.—The incident period of the severe storms and flooding referred to in subparagraph (A) is the period beginning on the incident beginning date with respect to such severe storms and flooding and ending on March 4, 2018.
(14) ALABAMA SEVERE STORMS AND TORNADOES.—

(A) ALABAMA SEVERE STORMS AND TORNADOES DISASTER AREA.—The term “Alabama severe storms and tornadoes disaster area” means an area with respect to which, during the period beginning on April 26, 2018, and ending on December 17, 2018, a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of the severe storms and tornadoes occurring in Alabama during the period beginning on March 19, 2018, and ending on March 20, 2018.

(B) INCIDENT BEGINNING DATE.—The incident beginning date of the severe storms and tornadoes referred to in subparagraph (A) is March 19, 2018.

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

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

(B) INCIDENT BEGINNING DATE.—The incident beginning date of Tropical Storm Gita is February 7, 2018.

(C) INCIDENT PERIOD.—The incident period of Tropical Storm Gita is the period beginning on the incident beginning date of Tropical Storm Gita and ending on February 12, 2018.

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

(a) TAX-FAVORED WITHDRAWALS FROM RETIREMENT PLANS.—

(1) IN GENERAL.—Section 72(t) of the Internal Revenue Code of 1986 shall not apply to any qualified disaster distribution.

(2) AGGREGATE DOLLAR LIMITATION.—

(A) IN GENERAL.—For purposes of this subsection, the aggregate amount of distribu-
tions received by an individual which may be treated as qualified disaster distributions for any taxable year shall not exceed the excess (if any) of—

(i) $100,000, over

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

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

(C) CONTROLLED GROUP.—For purposes of subparagraph (B), the term “controlled group” means any group treated as a single employer under subsection (b), (c), (m), or (o)
of section 414 of the Internal Revenue Code of
1986.

(D) Special rule for individuals affected by more than one disaster.—The
limitation of subparagraph (A) shall be applied separately with respect to distributions made
with respect to each qualified disaster which is described in a separate paragraph of section
101.

(3) Amount distributed may be repaid.—

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

(B) Treatment of repayments of dis-
tributions from eligible retirement
PLANS OTHER THAN IRAS.—For purposes of
the Internal Revenue Code of 1986, if a con-
tribution is made pursuant to subparagraph (A)
with respect to a qualified disaster distribution
from an eligible retirement plan other than an
individual retirement plan, then the taxpayer
shall, to the extent of the amount of the con-
tribution, be treated as having received the
qualified disaster distribution in an eligible roll-
over distribution (as defined in section
402(c)(4) of such Code) and as having trans-
ferred the amount to the eligible retirement
plan in a direct trustee to trustee transfer with-
in 60 days of the distribution.

(C) TREATMENT OF REPAYMENTS OF DIS-
TRIBUTIONS FROM IRAS.—For purposes of the
Internal Revenue Code of 1986, if a contribu-
tion is made pursuant to subparagraph (A)
with respect to a qualified disaster distribution
from an individual retirement plan (as defined
by section 7701(a)(37) of such Code), then, to
the extent of the amount of the contribution,
the qualified disaster distribution shall be treat-
ed as a distribution described in section
408(d)(3) of such Code and as having been
transferred to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(4) DEFINITIONS.—For purposes of this subsection—

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

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

(5) INCOME INCLUSION SPREAD OVER 3-YEAR PERIOD.—
(A) IN GENERAL.—In the case of any qualified disaster distribution, unless the taxpayer elects not to have this paragraph apply for any taxable year, any amount required to be included in gross income for such taxable year shall be so included ratably over the 3-taxable-year period beginning with such taxable year.

(B) SPECIAL RULE.—For purposes of subparagraph (A), rules similar to the rules of subparagraph (E) of section 408A(d)(3) of the Internal Revenue Code of 1986 shall apply.

(6) SPECIAL RULES.—

(A) EXEMPTION OF DISTRIBUTIONS FROM TRUSTEE TO TRUSTEE TRANSFER AND WITHHOLDING RULES.—For purposes of sections 401(a)(31), 402(f), and 3405 of the Internal Revenue Code of 1986, qualified disaster distributions shall not be treated as eligible rollover distributions.

(B) QUALIFIED DISASTER DISTRIBUTIONS TREATED AS MEETING PLAN DISTRIBUTION REQUIREMENTS.—For purposes the Internal Revenue Code of 1986, a qualified disaster distribution shall be treated as meeting the requirements of sections 401(k)(2)(B)(I),
403(b)(7)(A)(ii), 403(b)(11), and 457(d)(1)(A) of such Code.

(b) RECONTRIBUTIONS OF WITHDRAWALS FOR HOME PURCHASES.—

(1) RECONTRIBUTIONS.—

(A) IN GENERAL.—Any individual who received a qualified distribution may, during the applicable period, make 1 or more contributions in an aggregate amount not to exceed the amount of such qualified distribution to an eligible retirement plan (as defined in section 402(c)(8)(B) of the Internal Revenue Code of 1986) of which such individual is a beneficiary and to which a rollover contribution of such distribution could be made under section 402(c), 403(a)(4), 403(b)(8), or 408(d)(3), of such Code, as the case may be.

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

(2) QUALIFIED DISTRIBUTION.—For purposes of this subsection, the term “qualified distribution” means any distribution—
(A) described in section 401(k)(2)(B)(i)(IV), 403(b)(7)(A)(ii) (but only to the extent such distribution relates to financial hardship), 403(b)(11)(B), or 72(t)(2)(F), of the Internal Revenue Code of 1986,

(B) which was to be used to purchase or construct a principal residence in a qualified disaster area, but which was not so used on account of the qualified disaster with respect to such area, and

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

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

(c) LOANS FROM QUALIFIED PLANS.—

(1) INCREASE IN LIMIT ON LOANS NOT TREATED AS DISTRIBUTIONS.—In the case of any loan from a qualified employer plan (as defined under
section 72(p)(4) of the Internal Revenue Code of 1986) to a qualified individual made during the period beginning on the date of the enactment of this Act and ending on December 31, 2019—

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

(B) clause (ii) of such section shall be applied by substituting “the present value of the nonforfeitable accrued benefit of the employee under the plan” for “one-half of the present value of the nonforfeitable accrued benefit of the employee under the plan”.

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

(A) if the due date pursuant to subparagraph (B) or (C) of section 72(p)(2) of such Code for any repayment with respect to such loan occurs during the period beginning on the incident beginning date of such qualified dis-
aster and ending on December 31, 2019, such
due date shall be delayed for 1 year,

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

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

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

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

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

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

(1) IN GENERAL.—If this subsection applies to
any amendment to any plan or annuity contract,
such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in paragraph (2)(B)(i).

(2) Amendments to which subsection applies.—

(A) In general.—This subsection shall apply to any amendment to any plan or annuity contract which is made—

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

(ii) on or before the last day of the first plan year beginning on or after January 1, 2020, or such later date as the Secretary may prescribe.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), clause (ii) shall be applied by substituting the date which is 2 years after the date otherwise applied under clause (ii).

(B) Conditions.—This subsection shall not apply to any amendment unless—

(i) during the period—
(I) beginning on the date that this section or the regulation described in subparagraph (A)(i) takes effect (or in the case of a plan or contract amendment not required by this section or such regulation, the effective date specified by the plan), and

(II) ending on the date described in subparagraph (A)(ii) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect, and

(ii) such plan or contract amendment applies retroactively for such period.

SEC. 1203. EMPLOYEE RETENTION CREDIT FOR EMPLOYERS AFFECTED BY QUALIFIED DISASTERS.

(a) IN GENERAL.—For purposes of section 38 of the Internal Revenue Code of 1986, in the case of an eligible employer, the 2018 qualified disaster employee retention credit shall be treated as a credit listed in subsection (b) of such section. For purposes of this subsection, the 2018 qualified disaster employee retention credit for any taxable year is an amount equal to 40 percent of the qualified wages with respect to each eligible employee of such em-
ployer for such taxable year. For purposes of the pre-
ceeding sentence, the amount of qualified wages which may
be taken into account with respect to any individual shall
not exceed $6,000.

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

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

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

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

(2) ELIGIBLE EMPLOYEE.—The term “eligible
employee” means with respect to an eligible em-
ployer an employee whose principal place of employ-
ment at any time during the incident period of the
qualified disaster referred to in paragraph (1) with
such eligible employer was in the qualified disaster
zone referred to in such paragraph.
(3) Qualified Wages.—The term “qualified wages” means wages (as defined in section 51(c)(1) of the Internal Revenue Code of 1986, but without regard to section 3306(b)(2)(B) of such Code) paid or incurred by an eligible employer with respect to an eligible employee at any time after the incident beginning date of the qualified disaster referred to in paragraph (1), and before January 1, 2019, which occurs during the period—

(A) beginning on the date on which the trade or business described in paragraph (1) first became inoperable at the principal place of employment of the employee immediately before the qualified disaster referred to in such paragraph, and

(B) ending on the date on which such trade or business has resumed significant operations at such principal place of employment.

Such term shall include wages paid without regard to whether the employee performs no services, performs services at a different place of employment than such principal place of employment, or performs services at such principal place of employment before significant operations have resumed.
(c) Certain Rules to Apply.—For purposes of this subsection, rules similar to the rules of sections 51(i)(1), 52, and 280C(a), of the Internal Revenue Code of 1986, shall apply.

(d) Employee Not Taken Into Account More Than Once.—An employee shall not be treated as an eligible employee for purposes of this subsection for any period with respect to any employer if such employer is allowed a credit under section 51 of the Internal Revenue Code of 1986 with respect to such employee for such period.

SEC. 1204. Other Disaster-Related Tax Relief Provisions.

(a) Temporary Suspension of Limitations on Charitable Contributions.—

(1) In General.—Except as otherwise provided in paragraph (2), subsection (b) of section 170 of the Internal Revenue Code of 1986 shall not apply to qualified contributions and such contributions shall not be taken into account for purposes of applying subsections (b) and (d) of such section to other contributions.

(2) Treatment of Excess Contributions.—For purposes of section 170 of the Internal Revenue Code of 1986—
(A) INDIVIDUALS.—In the case of an individual—

(i) LIMITATION.—Any qualified contribution shall be allowed only to the extent that the aggregate of such contributions does not exceed the excess of the taxpayer’s contribution base (as defined in subparagraph (H) of section 170(b)(1) of such Code) over the amount of all other charitable contributions allowed under section 170(b)(1) of such Code.

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

(B) CORPORATIONS.—In the case of a corporation—

(i) LIMITATION.—Any qualified contribution shall be allowed only to the extent that the aggregate of such contribu-
tions does not exceed the excess of the tax-
payer’s taxable income (as determined
under paragraph (2) of section 170(b) of
such Code) over the amount of all other
charitable contributions allowed under such
paragraph.

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

(3) QUALIFIED CONTRIBUTIONS.—

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

(i) such contribution—

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

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

(ii) the taxpayer obtains from such or-
ganization contemporaneous written ac-
knowledge (within the meaning of section 170(f)(8) of such Code) that such contribution was used (or is to be used) for relief efforts described in clause (i)(II), and

(iii) the taxpayer has elected the application of this subsection with respect to such contribution.

(B) EXCEPTION.—Such term shall not include a contribution by a donor if the contribution is—

(i) to an organization described in section 509(a)(3) of the Internal Revenue Code of 1986, or

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

(C) APPLICATION OF ELECTION TO PARTNERSHIPS AND S CORPORATIONS.—In the case of a partnership or S corporation, the election under subparagraph (A)(iii) shall be made separately by each partner or shareholder.

(b) SPECIAL RULES FOR QUALIFIED DISASTER-RELATED PERSONAL CASUALTY LOSSES.—
(1) IN GENERAL.—If an individual has a net disaster loss for any taxable year—

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

(i) such net disaster loss, and

(ii) so much of the excess referred to in the matter preceding clause (i) of section 165(h)(2)(A) of such Code (reduced by the amount in clause (i) of this subparagraph) as exceeds 10 percent of the adjusted gross income of the individual,

(B) section 165(h)(1) of such Code shall be applied by substituting “$500” for “$500 ($100 for taxable years beginning after December 31, 2009)”,

(C) the standard deduction determined under section 63(c) of such Code shall be increased by the net disaster loss, and

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

(2) NET DISASTER LOSS.—For purposes of this subsection, the term “net disaster loss” means the
excess of qualified disaster-related personal casualty losses over personal casualty gains (as defined in section 165(h)(3)(A) of the Internal Revenue Code of 1986).

(3) Qualified Disaster-Related Personal Casualty Losses.—For purposes of this subsection, the term “qualified disaster-related personal casualty losses” means losses described in section 165(c)(3) of the Internal Revenue Code of 1986 which arise in a qualified disaster area on or after the incident beginning date of the qualified disaster to which such area relates, and which are attributable to such qualified disaster.

(e) Special Rule for Determining Earned Income.—

(1) In General.—In the case of a qualified individual, if the earned income of the taxpayer for the applicable taxable year is less than the earned income of the taxpayer for the preceding taxable year, the credits allowed under sections 24(d) and 32 of the Internal Revenue Code of 1986 may, at the election of the taxpayer, be determined by substituting—

(A) such earned income for the preceding taxable year, for
(B) such earned income for the applicable taxable year.

(2) Qualified Individual.—For purposes of this subsection, the term “qualified individual” means any individual whose principal place of abode at any time during the incident period of any qualified disaster was located—

(A) in the qualified disaster zone with respect to such qualified disaster, or

(B) in the qualified disaster area with respect to such qualified disaster (but outside the qualified disaster zone with respect to such qualified disaster) and such individual was displaced from such principal place of abode by reason of such qualified disaster.

(3) Applicable Taxable Year.—The term “applicable taxable year” means, with respect to any qualified individual, any taxable year which includes any day during the incident period of the qualified disaster to which the qualified disaster area referred to in paragraph (2) relates.

(4) Earned Income.—For purposes of this subsection, the term “earned income” has the meaning given such term under section 32(e) of the Internal Revenue Code of 1986.
(5) SPECIAL RULES.—

(A) APPLICATION TO JOINT RETURNS.—

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

(i) such paragraph shall apply if either spouse is a qualified individual, and

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

(B) UNIFORM APPLICATION OF ELECTION.—Any election made under paragraph (1) shall apply with respect to both sections 24(d) and 32 of the Internal Revenue Code of 1986.

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

(D) NO EFFECT ON DETERMINATION OF GROSS INCOME, ETC.—Except as otherwise provided in this subsection, the Internal Revenue Code of 1986 shall be applied without regard to any substitution under paragraph (1).
SEC. 1205. TREATMENT OF CERTAIN POSSESSIONS.

(a) PAYMENTS TO GUAM AND THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.—The Secretary of the Treasury shall pay to Guam and the Commonwealth of the Northern Mariana Islands amounts equal to the loss to that possession by reason of the application of the provisions of this title. Such amounts shall be determined by the Secretary of the Treasury based on information provided by the government of the respective possession.

(b) PAYMENTS TO AMERICAN SAMOA.—

(1) IN GENERAL.—The Secretary of the Treasury shall pay to American Samoa amounts estimated by the Secretary of the Treasury as being equal to the aggregate benefits that would have been provided to residents of American Samoa by reason of the provisions of this title if a mirror code tax system had been in effect in American Samoa. The preceding sentence shall not apply unless American Samoa has a plan, which has been approved by the Secretary of the Treasury, under which American Samoa will promptly distribute such payments to its residents.

(2) MIRROR CODE TAX SYSTEM.—For purposes of this subsection, the term “mirror code tax system” means, with respect to any possession of the United States, the income tax system of such posses-
sion if the income tax liability of the residents of
such possession under such system is determined by
reference to the income tax laws of the United
States as if such possession were the United States.

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

SEC. 1206. AUTOMATIC EXTENSION OF FILING DEADLINE.

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

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

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

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

the period beginning on the earliest incident date specified
in the declaration to which such area relates and ending
on the date which is 60 days after the latest incident date
so specified shall be disregarded in the same manner as a period specified under subsection (a).”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to Federally declared disasters declared after December 31, 2017.