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(Original Signature of Member)

113TH CONGRESS  
2D SESSION

# H. R.

To amend the Internal Revenue Code of 1986 to extend certain expiring provisions and make technical corrections, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. CAMP introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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# A BILL

To amend the Internal Revenue Code of 1986 to extend certain expiring provisions and make technical corrections, and for other purposes.

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, ETC.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Tax Increase Prevention Act of 2014”.

6 (b) AMENDMENT OF 1986 CODE.—Except as other-  
7 wise expressly provided, whenever in this Act an amend-  
8 ment or repeal is expressed in terms of an amendment

1 to, or repeal of, a section or other provision, the reference  
2 shall be considered to be made to a section or other provi-  
3 sion of the Internal Revenue Code of 1986.

4 (c) TABLE OF CONTENTS.—The table of contents for  
5 this Act is as follows:

Sec. 1. Short title, etc.

#### TITLE I—CERTAIN EXPIRING PROVISIONS

##### Subtitle A—Individual Tax Extenders

- Sec. 101. Extension of deduction for certain expenses of elementary and secondary school teachers.
- Sec. 102. Extension of exclusion from gross income of discharge of qualified principal residence indebtedness.
- Sec. 103. Extension of parity for employer-provided mass transit and parking benefits.
- Sec. 104. Extension of mortgage insurance premiums treated as qualified residence interest.
- Sec. 105. Extension of deduction of State and local general sales taxes.
- Sec. 106. Extension of special rule for contributions of capital gain real property made for conservation purposes.
- Sec. 107. Extension of above-the-line deduction for qualified tuition and related expenses.
- Sec. 108. Extension of tax-free distributions from individual retirement plans for charitable purposes.

##### Subtitle B—Business Tax Extenders

- Sec. 111. Extension of research credit.
- Sec. 112. Extension of temporary minimum low-income housing tax credit rate for non-federally subsidized buildings.
- Sec. 113. Extension of military housing allowance exclusion for determining whether a tenant in certain counties is low-income.
- Sec. 114. Extension of Indian employment tax credit.
- Sec. 115. Extension of new markets tax credit.
- Sec. 116. Extension of railroad track maintenance credit.
- Sec. 117. Extension of mine rescue team training credit.
- Sec. 118. Extension of employer wage credit for employees who are active duty members of the uniformed services.
- Sec. 119. Extension of work opportunity tax credit.
- Sec. 120. Extension of qualified zone academy bonds.
- Sec. 121. Extension of classification of certain race horses as 3-year property.
- Sec. 122. Extension of 15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements.
- Sec. 123. Extension of 7-year recovery period for motorsports entertainment complexes.
- Sec. 124. Extension of accelerated depreciation for business property on an Indian reservation.

- Sec. 125. Extension of bonus depreciation.
- Sec. 126. Extension of enhanced charitable deduction for contributions of food inventory.
- Sec. 127. Extension of increased expensing limitations and treatment of certain real property as section 179 property.
- Sec. 128. Extension of election to expense mine safety equipment.
- Sec. 129. Extension of special expensing rules for certain film and television productions.
- Sec. 130. Extension of deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.
- Sec. 131. Extension of modification of tax treatment of certain payments to controlling exempt organizations.
- Sec. 132. Extension of treatment of certain dividends of regulated investment companies.
- Sec. 133. Extension of RIC qualified investment entity treatment under FIRPTA.
- Sec. 134. Extension of subpart F exception for active financing income.
- Sec. 135. Extension of look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company rules.
- Sec. 136. Extension of temporary exclusion of 100 percent of gain on certain small business stock.
- Sec. 137. Extension of basis adjustment to stock of S corporations making charitable contributions of property.
- Sec. 138. Extension of reduction in S-corporation recognition period for built-in gains tax.
- Sec. 139. Extension of empowerment zone tax incentives.
- Sec. 140. Extension of temporary increase in limit on cover over of rum excise taxes to Puerto Rico and the Virgin Islands.
- Sec. 141. Extension of American Samoa economic development credit.

#### Subtitle C—Energy Tax Extenders

- Sec. 151. Extension of credit for nonbusiness energy property.
- Sec. 152. Extension of second generation biofuel producer credit.
- Sec. 153. Extension of incentives for biodiesel and renewable diesel.
- Sec. 154. Extension of production credit for Indian coal facilities placed in service before 2009.
- Sec. 155. Extension of credits with respect to facilities producing energy from certain renewable resources.
- Sec. 156. Extension of credit for energy-efficient new homes.
- Sec. 157. Extension of special allowance for second generation biofuel plant property.
- Sec. 158. Extension of energy efficient commercial buildings deduction.
- Sec. 159. Extension of special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities.
- Sec. 160. Extension of excise tax credits relating to certain fuels.

#### Subtitle D—Extenders Relating to Multiemployer Defined Benefit Pension Plans

- Sec. 171. Extension of automatic extension of amortization periods.
- Sec. 172. Extension of shortfall funding method and endangered and critical rules.

## TITLE II—TECHNICAL CORRECTIONS

- Sec. 201. Short title.
- Sec. 202. Amendments relating to American Taxpayer Relief Act of 2012.
- Sec. 203. Amendment relating to Middle Class Tax Relief and Job Creation Act of 2012.
- Sec. 204. Amendment relating to FAA Modernization and Reform Act of 2012.
- Sec. 205. Amendments relating to Regulated Investment Company Modernization Act of 2010.
- Sec. 206. Amendments relating to Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010.
- Sec. 207. Amendments relating to Creating Small Business Jobs Act of 2010.
- Sec. 208. Clerical amendment relating to Hiring Incentives to Restore Employment Act.
- Sec. 209. Amendments relating to American Recovery and Reinvestment Tax Act of 2009.
- Sec. 210. Amendments relating to Energy Improvement and Extension Act of 2008.
- Sec. 211. Amendments relating to Tax Extenders and Alternative Minimum Tax Relief Act of 2008.
- Sec. 212. Clerical amendments relating to Housing Assistance Tax Act of 2008.
- Sec. 213. Amendments and provision relating to Heroes Earnings Assistance and Relief Tax Act of 2008.
- Sec. 214. Amendments relating to Economic Stimulus Act of 2008.
- Sec. 215. Amendments relating to Tax Technical Corrections Act of 2007.
- Sec. 216. Amendment relating to Tax Relief and Health Care Act of 2006.
- Sec. 217. Amendment relating to Safe, Accountable, Flexible, Efficient Transportation Equity Act of 2005: A Legacy for Users.
- Sec. 218. Amendments relating to Energy Tax Incentives Act of 2005.
- Sec. 219. Amendments relating to American Jobs Creation Act of 2004.
- Sec. 220. Other clerical corrections.
- Sec. 221. Deadwood provisions.

## TITLE III—JOINT COMMITTEE ON TAXATION

- Sec. 301. Increased refund and credit threshold for Joint Committee on Taxation review of C corporation return.

## TITLE IV—BUDGETARY EFFECTS

- Sec. 401. Budgetary effects.

1       **TITLE I—CERTAIN EXPIRING**  
2                   **PROVISIONS**  
3                   **Subtitle A—Individual Tax**  
4                   **Extenders**

5   **SEC. 101. EXTENSION OF DEDUCTION FOR CERTAIN EX-**  
6                   **PENSES OF ELEMENTARY AND SECONDARY**  
7                   **SCHOOL TEACHERS.**

8       (a) **IN GENERAL.**—Subparagraph (D) of section  
9 62(a)(2) is amended by striking “or 2013” and inserting  
10 “2013, or 2014”.

11       (b) **EFFECTIVE DATE.**—The amendment made by  
12 this section shall apply to taxable years beginning after  
13 December 31, 2013.

14   **SEC. 102. EXTENSION OF EXCLUSION FROM GROSS INCOME**  
15                   **OF DISCHARGE OF QUALIFIED PRINCIPAL**  
16                   **RESIDENCE INDEBTEDNESS.**

17       (a) **IN GENERAL.**—Subparagraph (E) of section  
18 108(a)(1) is amended by striking “January 1, 2014” and  
19 inserting “January 1, 2015”.

20       (b) **EFFECTIVE DATE.**—The amendment made by  
21 this section shall apply to indebtedness discharged after  
22 December 31, 2013.

1 **SEC. 103. EXTENSION OF PARITY FOR EMPLOYER-PRO-**  
2 **VIDED MASS TRANSIT AND PARKING BENE-**  
3 **FITS.**

4 (a) IN GENERAL.—Paragraph (2) of section 132(f)  
5 is amended by striking “January 1, 2014” and inserting  
6 “January 1, 2015”.

7 (b) EFFECTIVE DATE.—The amendment made by  
8 this section shall apply to months after December 31,  
9 2013.

10 **SEC. 104. EXTENSION OF MORTGAGE INSURANCE PRE-**  
11 **MIUMS TREATED AS QUALIFIED RESIDENCE**  
12 **INTEREST.**

13 (a) IN GENERAL.—Subclause (I) of section  
14 163(h)(3)(E)(iv) is amended by striking “December 31,  
15 2013” and inserting “December 31, 2014”.

16 (b) EFFECTIVE DATE.—The amendment made by  
17 this section shall apply to amounts paid or accrued after  
18 December 31, 2013.

19 **SEC. 105. EXTENSION OF DEDUCTION OF STATE AND LOCAL**  
20 **GENERAL SALES TAXES.**

21 (a) IN GENERAL.—Subparagraph (I) of section  
22 164(b)(5) is amended by striking “January 1, 2014” and  
23 inserting “January 1, 2015”.

24 (b) EFFECTIVE DATE.—The amendment made by  
25 this section shall apply to taxable years beginning after  
26 December 31, 2013.

1 **SEC. 106. EXTENSION OF SPECIAL RULE FOR CONTRIBU-**  
2 **TIONS OF CAPITAL GAIN REAL PROPERTY**  
3 **MADE FOR CONSERVATION PURPOSES.**

4 (a) IN GENERAL.—Clause (vi) of section  
5 170(b)(1)(E) is amended by striking “December 31,  
6 2013” and inserting “December 31, 2014”.

7 (b) CONTRIBUTIONS BY CERTAIN CORPORATE FARM-  
8 ERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B)  
9 is amended by striking “December 31, 2013” and insert-  
10 ing “December 31, 2014”.

11 (c) EFFECTIVE DATE.—The amendments made by  
12 this section shall apply to contributions made in taxable  
13 years beginning after December 31, 2013.

14 **SEC. 107. EXTENSION OF ABOVE-THE-LINE DEDUCTION FOR**  
15 **QUALIFIED TUITION AND RELATED EX-**  
16 **PENSES.**

17 (a) IN GENERAL.—Subsection (e) of section 222 is  
18 amended by striking “December 31, 2013” and inserting  
19 “December 31, 2014”.

20 (b) EFFECTIVE DATE.—The amendment made by  
21 this section shall apply to taxable years beginning after  
22 December 31, 2013.

1 **SEC. 108. EXTENSION OF TAX-FREE DISTRIBUTIONS FROM**  
2 **INDIVIDUAL RETIREMENT PLANS FOR CHARI-**  
3 **TABLE PURPOSES.**

4 (a) IN GENERAL.—Subparagraph (F) of section  
5 408(d)(8) is amended by striking “December 31, 2013”  
6 and inserting “December 31, 2014”.

7 (b) EFFECTIVE DATE.—The amendment made by  
8 this section shall apply to distributions made in taxable  
9 years beginning after December 31, 2013.

10 **Subtitle B—Business Tax**  
11 **Extenders**

12 **SEC. 111. EXTENSION OF RESEARCH CREDIT.**

13 (a) IN GENERAL.—Paragraph (1) of section 41(h) is  
14 amended by striking “paid or incurred” and all that fol-  
15 lows and inserting “paid or incurred after December 31,  
16 2014.”.

17 (b) CONFORMING AMENDMENT.—Subparagraph (D)  
18 of section 45C(b)(1) is amended to read as follows:

19 “(D) SPECIAL RULE.—If section 41 is not  
20 in effect for any period, such section shall be  
21 deemed to remain in effect for such period for  
22 purposes of this paragraph.”.

23 (c) EFFECTIVE DATE.—The amendments made by  
24 this section shall apply to amounts paid or incurred after  
25 December 31, 2013.

1 **SEC. 112. EXTENSION OF TEMPORARY MINIMUM LOW-IN-**  
2 **COME HOUSING TAX CREDIT RATE FOR NON-**  
3 **FEDERALLY SUBSIDIZED BUILDINGS.**

4 (a) IN GENERAL.—Subparagraph (A) of section  
5 42(b)(2) is amended by striking “January 1, 2014” and  
6 inserting “January 1, 2015”.

7 (b) EFFECTIVE DATE.—The amendment made by  
8 this section shall take effect on January 1, 2014.

9 **SEC. 113. EXTENSION OF MILITARY HOUSING ALLOWANCE**  
10 **EXCLUSION FOR DETERMINING WHETHER A**  
11 **TENANT IN CERTAIN COUNTIES IS LOW-IN-**  
12 **COME.**

13 (a) IN GENERAL.—Subsection (b) of section 3005 of  
14 the Housing Assistance Tax Act of 2008 is amended by  
15 striking “January 1, 2014” each place it appears and in-  
16 serting “January 1, 2015”.

17 (b) EFFECTIVE DATE.—The amendment made by  
18 this section shall take effect as if included in the enact-  
19 ment of section 3005 of the Housing Assistance Tax Act  
20 of 2008.

21 **SEC. 114. EXTENSION OF INDIAN EMPLOYMENT TAX CRED-**  
22 **IT.**

23 (a) IN GENERAL.—Subsection (f) of section 45A is  
24 amended by striking “December 31, 2013” and inserting  
25 “December 31, 2014”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2013.

4 **SEC. 115. EXTENSION OF NEW MARKETS TAX CREDIT.**

5 (a) IN GENERAL.—Subparagraph (G) of section  
6 45D(f)(1) is amended by striking “and 2013” and insert-  
7 ing “2013, and 2014”.

8 (b) CARRYOVER OF UNUSED LIMITATION.—Para-  
9 graph (3) of section 45D(f) is amended by striking  
10 “2018” and inserting “2019”.

11 (c) EFFECTIVE DATE.—The amendments made by  
12 this section shall apply to calendar years beginning after  
13 December 31, 2013.

14 **SEC. 116. EXTENSION OF RAILROAD TRACK MAINTENANCE**  
15 **CREDIT.**

16 (a) IN GENERAL.—Subsection (f) of section 45G is  
17 amended by striking “January 1, 2014” and inserting  
18 “January 1, 2015”.

19 (b) EFFECTIVE DATE.—The amendment made by  
20 this section shall apply to expenditures paid or incurred  
21 in taxable years beginning after December 31, 2013.

1 **SEC. 117. EXTENSION OF MINE RESCUE TEAM TRAINING**  
2 **CREDIT.**

3 (a) IN GENERAL.—Subsection (e) of section 45N is  
4 amended by striking “December 31, 2013” and inserting  
5 “December 31, 2014”.

6 (b) EFFECTIVE DATE.—The amendment made by  
7 this section shall apply to taxable years beginning after  
8 December 31, 2013.

9 **SEC. 118. EXTENSION OF EMPLOYER WAGE CREDIT FOR**  
10 **EMPLOYEES WHO ARE ACTIVE DUTY MEM-**  
11 **BERS OF THE UNIFORMED SERVICES.**

12 (a) IN GENERAL.—Subsection (f) of section 45P is  
13 amended by striking “December 31, 2013” and inserting  
14 “December 31, 2014”.

15 (b) EFFECTIVE DATE.—The amendment made by  
16 this section shall apply to payments made after December  
17 31, 2013.

18 **SEC. 119. EXTENSION OF WORK OPPORTUNITY TAX CREDIT.**

19 (a) IN GENERAL.—Paragraph (4) of section 51(c) is  
20 amended by striking “for the employer” and all that fol-  
21 lows and inserting “for the employer after December 31,  
22 2014”.

23 (b) EFFECTIVE DATE.—The amendment made by  
24 this section shall apply to individuals who begin work for  
25 the employer after December 31, 2013.

1 **SEC. 120. EXTENSION OF QUALIFIED ZONE ACADEMY**  
2 **BONDS.**

3 (a) **EXTENSION.**—Paragraph (1) of section 54E(c) is  
4 amended by striking “and 2013” and inserting “2013,  
5 and 2014”.

6 (b) **EFFECTIVE DATE.**—The amendment made by  
7 this section shall apply to obligations issued after Decem-  
8 ber 31, 2013.

9 **SEC. 121. EXTENSION OF CLASSIFICATION OF CERTAIN**  
10 **RACE HORSES AS 3-YEAR PROPERTY.**

11 (a) **IN GENERAL.**—Clause (i) of section 168(e)(3)(A)  
12 is amended—

13 (1) by striking “January 1, 2014” in subclause  
14 (I) and inserting “January 1, 2015”, and

15 (2) by striking “December 31, 2013” in sub-  
16 clause (II) and inserting “December 31, 2014”.

17 (b) **EFFECTIVE DATE.**—The amendments made by  
18 this section shall apply to property placed in service after  
19 December 31, 2013.

1 **SEC. 122. EXTENSION OF 15-YEAR STRAIGHT-LINE COST RE-**  
2 **COVERY FOR QUALIFIED LEASEHOLD IM-**  
3 **PROVEMENTS, QUALIFIED RESTAURANT**  
4 **BUILDINGS AND IMPROVEMENTS, AND**  
5 **QUALIFIED RETAIL IMPROVEMENTS.**

6 (a) IN GENERAL.—Clauses (iv), (v), and (ix) of sec-  
7 tion 168(e)(3)(E) are each amended by striking “January  
8 1, 2014” and inserting “January 1, 2015”.

9 (b) EFFECTIVE DATE.—The amendments made by  
10 this section shall apply to property placed in service after  
11 December 31, 2013.

12 **SEC. 123. EXTENSION OF 7-YEAR RECOVERY PERIOD FOR**  
13 **MOTORSPORTS ENTERTAINMENT COM-**  
14 **PLEXES.**

15 (a) IN GENERAL.—Subparagraph (D) of section  
16 168(i)(15) is amended by striking “December 31, 2013”  
17 and inserting “December 31, 2014”.

18 (b) EFFECTIVE DATE.—The amendment made by  
19 this section shall apply to property placed in service after  
20 December 31, 2013.

21 **SEC. 124. EXTENSION OF ACCELERATED DEPRECIATION**  
22 **FOR BUSINESS PROPERTY ON AN INDIAN**  
23 **RESERVATION.**

24 (a) IN GENERAL.—Paragraph (8) of section 168(j)  
25 is amended by striking “December 31, 2013” and insert-  
26 ing “December 31, 2014”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall apply to property placed in service after  
3 December 31, 2013.

4 **SEC. 125. EXTENSION OF BONUS DEPRECIATION.**

5 (a) IN GENERAL.—Paragraph (2) of section 168(k)  
6 is amended—

7 (1) by striking “January 1, 2015” in subpara-  
8 graph (A)(iv) and inserting “January 1, 2016”, and

9 (2) by striking “January 1, 2014” each place  
10 it appears and inserting “January 1, 2015”.

11 (b) SPECIAL RULE FOR FEDERAL LONG-TERM CON-  
12 TRACTS.—Clause (ii) of section 460(c)(6)(B) is amended  
13 by striking “January 1, 2014 (January 1, 2015” and in-  
14 serting “January 1, 2015 (January 1, 2016”.

15 (c) EXTENSION OF ELECTION TO ACCELERATE THE  
16 AMT CREDIT IN LIEU OF BONUS DEPRECIATION.—

17 (1) IN GENERAL.—Subclause (II) of section  
18 168(k)(4)(D)(iii) is amended by striking “January  
19 1, 2014” and inserting “January 1, 2015”.

20 (2) ROUND 4 EXTENSION PROPERTY.—Para-  
21 graph (4) of section 168(k) is amended by adding at  
22 the end the following new subparagraph:

23 “(K) SPECIAL RULES FOR ROUND 4 EX-  
24 TENSION PROPERTY.—

1           “(i) IN GENERAL.—In the case of  
2 round 4 extension property, in applying  
3 this paragraph to any taxpayer—

4           “(I) the limitation described in  
5 subparagraph (B)(i) and the business  
6 credit increase amount under sub-  
7 paragraph (E)(iii) thereof shall not  
8 apply, and

9           “(II) the bonus depreciation  
10 amount, maximum amount, and max-  
11 imum increase amount shall be com-  
12 puted separately from amounts com-  
13 puted with respect to eligible qualified  
14 property which is not round 4 exten-  
15 sion property.

16           “(ii) ELECTION.—

17           “(I) A taxpayer who has an elec-  
18 tion in effect under this paragraph for  
19 round 3 extension property shall be  
20 treated as having an election in effect  
21 for round 4 extension property unless  
22 the taxpayer elects to not have this  
23 paragraph apply to round 4 extension  
24 property.

1                   “(II) A taxpayer who does not  
2                   have an election in effect under this  
3                   paragraph for round 3 extension prop-  
4                   erty may elect to have this paragraph  
5                   apply to round 4 extension property.

6                   “(iii) ROUND 4 EXTENSION PROP-  
7                   ERTY.—For purposes of this subpara-  
8                   graph, the term ‘round 4 extension prop-  
9                   erty’ means property which is eligible  
10                  qualified property solely by reason of the  
11                  extension of the application of the special  
12                  allowance under paragraph (1) pursuant to  
13                  the amendments made by section 125(a) of  
14                  the Tax Increase Prevention Act of 2014  
15                  (and the application of such extension to  
16                  this paragraph pursuant to the amendment  
17                  made by section 125(c) of such Act).”.

18                  (d) CONFORMING AMENDMENTS.—

19                   (1) The heading for subsection (k) of section  
20                   168 is amended by striking “JANUARY 1, 2014” and  
21                   inserting “JANUARY 1, 2015”.

22                   (2) The heading for clause (ii) of section  
23                   168(k)(2)(B) is amended by striking “PRE-JANUARY  
24                   1, 2014” and inserting “PRE-JANUARY 1, 2015”.



1 **SEC. 127. EXTENSION OF INCREASED EXPENSING LIMITA-**  
2 **TIONS AND TREATMENT OF CERTAIN REAL**  
3 **PROPERTY AS SECTION 179 PROPERTY.**

4 (a) IN GENERAL.—

5 (1) DOLLAR LIMITATION.—Section 179(b)(1) is  
6 amended—

7 (A) by striking “beginning in 2010, 2011,  
8 2012, or 2013” in subparagraph (B) and in-  
9 serting “beginning after 2009 and before  
10 2015”, and

11 (B) by striking “2013” in subparagraph  
12 (C) and inserting “2014”.

13 (2) REDUCTION IN LIMITATION.—Section  
14 179(b)(2) is amended—

15 (A) by striking “beginning in 2010, 2011,  
16 2012, or 2013” in subparagraph (B) and in-  
17 serting “beginning after 2009 and before  
18 2015”, and

19 (B) by striking “2013” in subparagraph  
20 (C) and inserting “2014”.

21 (b) COMPUTER SOFTWARE.—Section  
22 179(d)(1)(A)(ii) is amended by striking “2014” and in-  
23 serting “2015”.

24 (c) ELECTION.—Section 179(c)(2) is amended by  
25 striking “2014” and inserting “2015”.

1 (d) SPECIAL RULES FOR TREATMENT OF QUALIFIED  
2 REAL PROPERTY.—

3 (1) IN GENERAL.—Section 179(f)(1) is amend-  
4 ed by striking “beginning in 2010, 2011, 2012, or  
5 2013” and inserting “beginning after 2009 and be-  
6 fore 2015”.

7 (2) CARRYOVER LIMITATION.—

8 (A) IN GENERAL.—Section 179(f)(4) is  
9 amended by striking “2013” each place it ap-  
10 pears and inserting “2014”.

11 (B) CONFORMING AMENDMENT.—The  
12 heading of subparagraph (C) of section  
13 179(f)(4) is amended by striking “2011 AND  
14 2012” and inserting “2011, 2012, AND 2013”.

15 (e) EFFECTIVE DATE.—The amendments made by  
16 this section shall apply to taxable years beginning after  
17 December 31, 2013.

18 **SEC. 128. EXTENSION OF ELECTION TO EXPENSE MINE**  
19 **SAFETY EQUIPMENT.**

20 (a) IN GENERAL.—Subsection (g) of section 179E is  
21 amended by striking “December 31, 2013” and inserting  
22 “December 31, 2014”.

23 (b) EFFECTIVE DATE.—The amendment made by  
24 this section shall apply to property placed in service after  
25 December 31, 2013.

1 **SEC. 129. EXTENSION OF SPECIAL EXPENSING RULES FOR**  
2 **CERTAIN FILM AND TELEVISION PRODUC-**  
3 **TIONS.**

4 (a) **IN GENERAL.**—Subsection (f) of section 181 is  
5 amended by striking “December 31, 2013” and inserting  
6 “December 31, 2014”.

7 (b) **EFFECTIVE DATES.**—The amendment made by  
8 this section shall apply to productions commencing after  
9 December 31, 2013.

10 **SEC. 130. EXTENSION OF DEDUCTION ALLOWABLE WITH**  
11 **RESPECT TO INCOME ATTRIBUTABLE TO DO-**  
12 **MESTIC PRODUCTION ACTIVITIES IN PUERTO**  
13 **RICO.**

14 (a) **IN GENERAL.**—Subparagraph (C) of section  
15 199(d)(8) is amended—

16 (1) by striking “first 8 taxable years” and in-  
17 serting “first 9 taxable years”, and

18 (2) by striking “January 1, 2014” and insert-  
19 ing “January 1, 2015”.

20 (b) **EFFECTIVE DATE.**—The amendments made by  
21 this section shall apply to taxable years beginning after  
22 December 31, 2013.

1 **SEC. 131. EXTENSION OF MODIFICATION OF TAX TREAT-**  
2 **MENT OF CERTAIN PAYMENTS TO CONTROL-**  
3 **LING EXEMPT ORGANIZATIONS.**

4 (a) IN GENERAL.—Clause (iv) of section  
5 512(b)(13)(E) is amended by striking “December 31,  
6 2013” and inserting “December 31, 2014”.

7 (b) EFFECTIVE DATE.—The amendment made by  
8 this section shall apply to payments received or accrued  
9 after December 31, 2013.

10 **SEC. 132. EXTENSION OF TREATMENT OF CERTAIN DIVI-**  
11 **DENDS OF REGULATED INVESTMENT COMPA-**  
12 **NIES.**

13 (a) IN GENERAL.—Paragraphs (1)(C)(v) and  
14 (2)(C)(v) of section 871(k) are each amended by striking  
15 “December 31, 2013” and inserting “December 31,  
16 2014”.

17 (b) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to taxable years beginning after  
19 December 31, 2013.

20 **SEC. 133. EXTENSION OF RIC QUALIFIED INVESTMENT EN-**  
21 **TITY TREATMENT UNDER FIRPTA.**

22 (a) IN GENERAL.—Clause (ii) of section  
23 897(h)(4)(A) is amended by striking “December 31,  
24 2013” and inserting “December 31, 2014”.

25 (b) EFFECTIVE DATE.—

1           (1) IN GENERAL.—The amendment made by  
2 this section shall take effect on January 1, 2014.  
3 Notwithstanding the preceding sentence, such  
4 amendment shall not apply with respect to the with-  
5 holding requirement under section 1445 of the Inter-  
6 nal Revenue Code of 1986 for any payment made  
7 before the date of the enactment of this Act.

8           (2) AMOUNTS WITHHELD ON OR BEFORE DATE  
9 OF ENACTMENT.—In the case of a regulated invest-  
10 ment company—

11           (A) which makes a distribution after De-  
12 cember 31, 2013, and before the date of the en-  
13 actment of this Act, and

14           (B) which would (but for the second sen-  
15 tence of paragraph (1)) have been required to  
16 withhold with respect to such distribution under  
17 section 1445 of such Code,

18 such investment company shall not be liable to any  
19 person to whom such distribution was made for any  
20 amount so withheld and paid over to the Secretary  
21 of the Treasury.

22 **SEC. 134. EXTENSION OF SUBPART F EXCEPTION FOR AC-**  
23 **TIVE FINANCING INCOME.**

24           (a) EXEMPT INSURANCE INCOME.—Paragraph (10)  
25 of section 953(e) is amended—

1 (1) by striking “January 1, 2014” and insert-  
2 ing “January 1, 2015”, and

3 (2) by striking “December 31, 2013” and in-  
4 serting “December 31, 2014”.

5 (b) SPECIAL RULE FOR INCOME DERIVED IN THE  
6 ACTIVE CONDUCT OF BANKING, FINANCING, OR SIMILAR  
7 BUSINESSES.—Paragraph (9) of section 954(h) is amend-  
8 ed by striking “January 1, 2014” and inserting “January  
9 1, 2015”.

10 (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to taxable years of foreign corpora-  
12 tions beginning after December 31, 2013, and to taxable  
13 years of United States shareholders with or within which  
14 any such taxable year of such foreign corporation ends.

15 **SEC. 135. EXTENSION OF LOOK-THRU TREATMENT OF PAY-**  
16 **MENTS BETWEEN RELATED CONTROLLED**  
17 **FOREIGN CORPORATIONS UNDER FOREIGN**  
18 **PERSONAL HOLDING COMPANY RULES.**

19 (a) IN GENERAL.—Subparagraph (C) of section  
20 954(e)(6) is amended by striking “January 1, 2014” and  
21 inserting “January 1, 2015”.

22 (b) EFFECTIVE DATE.—The amendment made by  
23 this section shall apply to taxable years of foreign corpora-  
24 tions beginning after December 31, 2013, and to taxable

1 years of United States shareholders with or within which  
2 such taxable years of foreign corporations end.

3 **SEC. 136. EXTENSION OF TEMPORARY EXCLUSION OF 100**  
4 **PERCENT OF GAIN ON CERTAIN SMALL BUSI-**  
5 **NESS STOCK.**

6 (a) IN GENERAL.—Paragraph (4) of section 1202(a)  
7 is amended—

8 (1) by striking “January 1, 2014” and insert-  
9 ing “January 1, 2015”, and

10 (2) by striking “AND 2013” in the heading and  
11 inserting “2013, AND 2014”.

12 (b) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to stock acquired after December  
14 31, 2013.

15 **SEC. 137. EXTENSION OF BASIS ADJUSTMENT TO STOCK OF**  
16 **S CORPORATIONS MAKING CHARITABLE CON-**  
17 **TRIBUTIONS OF PROPERTY.**

18 (a) IN GENERAL.—Paragraph (2) of section 1367(a)  
19 is amended by striking “December 31, 2013” and insert-  
20 ing “December 31, 2014”.

21 (b) EFFECTIVE DATE.—The amendment made by  
22 this section shall apply to contributions made in taxable  
23 years beginning after December 31, 2013.

1 **SEC. 138. EXTENSION OF REDUCTION IN S-CORPORATION**  
2 **RECOGNITION PERIOD FOR BUILT-IN GAINS**  
3 **TAX.**

4 (a) IN GENERAL.—Subparagraph (C) of section  
5 1374(d)(7) is amended—

6 (1) by striking “2012 or 2013” and inserting  
7 “2012, 2013, or 2014”, and

8 (2) by striking “2012 AND 2013” in the heading  
9 and inserting “2012, 2013, AND 2014”.

10 (b) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to taxable years beginning after  
12 December 31, 2013.

13 **SEC. 139. EXTENSION OF EMPOWERMENT ZONE TAX INCEN-**  
14 **TIVES.**

15 (a) IN GENERAL.—Clause (i) of section  
16 1391(d)(1)(A) is amended by striking “December 31,  
17 2013” and inserting “December 31, 2014”.

18 (b) TREATMENT OF CERTAIN TERMINATION DATES  
19 SPECIFIED IN NOMINATIONS.—In the case of a designa-  
20 tion of an empowerment zone the nomination for which  
21 included a termination date which is contemporaneous  
22 with the date specified in subparagraph (A)(i) of section  
23 1391(d)(1) of the Internal Revenue Code of 1986 (as in  
24 effect before the enactment of this Act), subparagraph (B)  
25 of such section shall not apply with respect to such des-  
26 ignation if, after the date of the enactment of this section,

1 the entity which made such nomination amends the nomi-  
2 nation to provide for a new termination date in such man-  
3 ner as the Secretary of the Treasury (or the Secretary's  
4 designee) may provide.

5 (c) EFFECTIVE DATES.—The amendment made by  
6 this section shall apply to periods after December 31,  
7 2013.

8 **SEC. 140. EXTENSION OF TEMPORARY INCREASE IN LIMIT**  
9 **ON COVER OVER OF RUM EXCISE TAXES TO**  
10 **PUERTO RICO AND THE VIRGIN ISLANDS.**

11 (a) IN GENERAL.—Paragraph (1) of section 7652(f)  
12 is amended by striking “January 1, 2014” and inserting  
13 “January 1, 2015”.

14 (b) EFFECTIVE DATE.—The amendment made by  
15 this section shall apply to distilled spirits brought into the  
16 United States after December 31, 2013.

17 **SEC. 141. EXTENSION OF AMERICAN SAMOA ECONOMIC DE-**  
18 **VELOPMENT CREDIT.**

19 (a) IN GENERAL.—Subsection (d) of section 119 of  
20 division A of the Tax Relief and Health Care Act of 2006  
21 is amended—

22 (1) by striking “January 1, 2014” each place  
23 it appears and inserting “January 1, 2015”,

24 (2) by striking “first 8 taxable years” in para-  
25 graph (1) and inserting “first 9 taxable years”, and

1 (3) by striking “first 2 taxable years” in para-  
2 graph (2) and inserting “first 3 taxable years”.

3 (b) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to taxable years beginning after  
5 December 31, 2013.

## 6 **Subtitle C—Energy Tax Extenders**

### 7 **SEC. 151. EXTENSION OF CREDIT FOR NONBUSINESS EN-** 8 **ERGY PROPERTY.**

9 (a) IN GENERAL.—Paragraph (2) of section 25C(g)  
10 is amended by striking “December 31, 2013” and insert-  
11 ing “December 31, 2014”.

12 (b) EFFECTIVE DATE.—The amendment made by  
13 this section shall apply to property placed in service after  
14 December 31, 2013.

### 15 **SEC. 152. EXTENSION OF SECOND GENERATION BIOFUEL** 16 **PRODUCER CREDIT.**

17 (a) IN GENERAL.—Clause (i) of section 40(b)(6)(J)  
18 is amended by striking “January 1, 2014” and inserting  
19 “January 1, 2015”.

20 (b) EFFECTIVE DATE.—The amendment made by  
21 this section shall apply to qualified second generation  
22 biofuel production after December 31, 2013.

1 **SEC. 153. EXTENSION OF INCENTIVES FOR BIODIESEL AND**  
2 **RENEWABLE DIESEL.**

3 (a) CREDITS FOR BIODIESEL AND RENEWABLE DIE-  
4 SEL USED AS FUEL.—Subsection (g) of section 40A is  
5 amended by striking “December 31, 2013” and inserting  
6 “December 31, 2014”.

7 (b) EFFECTIVE DATE.—The amendment made by  
8 this section shall apply to fuel sold or used after December  
9 31, 2013.

10 **SEC. 154. EXTENSION OF PRODUCTION CREDIT FOR INDIAN**  
11 **COAL FACILITIES PLACED IN SERVICE BE-**  
12 **FORE 2009.**

13 (a) IN GENERAL.—Subparagraph (A) of section  
14 45(e)(10) is amended by striking “8-year period” each  
15 place it appears and inserting “9-year period”.

16 (b) EFFECTIVE DATE.—The amendment made by  
17 this section shall apply to coal produced after December  
18 31, 2013.

19 **SEC. 155. EXTENSION OF CREDITS WITH RESPECT TO FA-**  
20 **CILITIES PRODUCING ENERGY FROM CER-**  
21 **TAIN RENEWABLE RESOURCES.**

22 (a) IN GENERAL.—The following provisions of sec-  
23 tion 45(d) are each amended by striking “January 1,  
24 2014” each place it appears and inserting “January 1,  
25 2015”:

26 (1) Paragraph (1).

1 (2) Paragraph (2)(A).

2 (3) Paragraph (3)(A).

3 (4) Paragraph (4)(B).

4 (5) Paragraph (6).

5 (6) Paragraph (7).

6 (7) Paragraph (9).

7 (8) Paragraph (11)(B).

8 (b) EXTENSION OF ELECTION TO TREAT QUALIFIED  
9 FACILITIES AS ENERGY PROPERTY.—Clause (ii) of sec-  
10 tion 48(a)(5)(C) is amended by striking “January 1,  
11 2014” and inserting “January 1, 2015”.

12 (c) EFFECTIVE DATES.—The amendments made by  
13 this section shall take effect on January 1, 2014.

14 **SEC. 156. EXTENSION OF CREDIT FOR ENERGY-EFFICIENT**  
15 **NEW HOMES.**

16 (a) IN GENERAL.—Subsection (g) of section 45L is  
17 amended by striking “December 31, 2013” and inserting  
18 “December 31, 2014”.

19 (b) EFFECTIVE DATE.—The amendment made by  
20 this section shall apply to homes acquired after December  
21 31, 2013.

1 **SEC. 157. EXTENSION OF SPECIAL ALLOWANCE FOR SEC-**  
2 **OND GENERATION BIOFUEL PLANT PROP-**  
3 **ERTY.**

4 (a) IN GENERAL.—Subparagraph (D) of section  
5 168(l)(2) is amended by striking “January 1, 2014” and  
6 inserting “January 1, 2015”.

7 (b) EFFECTIVE DATE.—The amendment made by  
8 this section shall apply to property placed in service after  
9 December 31, 2013.

10 **SEC. 158. EXTENSION OF ENERGY EFFICIENT COMMERCIAL**  
11 **BUILDINGS DEDUCTION.**

12 (a) IN GENERAL.—Subsection (h) of section 179D is  
13 amended by striking “December 31, 2013” and inserting  
14 “December 31, 2014”.

15 (b) EFFECTIVE DATE.—The amendment made by  
16 this section shall apply to property placed in service after  
17 December 31, 2013.

18 **SEC. 159. EXTENSION OF SPECIAL RULE FOR SALES OR DIS-**  
19 **POSITIONS TO IMPLEMENT FERC OR STATE**  
20 **ELECTRIC RESTRUCTURING POLICY FOR**  
21 **QUALIFIED ELECTRIC UTILITIES.**

22 (a) IN GENERAL.—Paragraph (3) of section 451(i)  
23 is amended by striking “January 1, 2014” and inserting  
24 “January 1, 2015”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall apply to dispositions after December 31,  
3 2013.

4 **SEC. 160. EXTENSION OF EXCISE TAX CREDITS RELATING**  
5 **TO CERTAIN FUELS.**

6 (a) EXCISE TAX CREDITS AND OUTLAY PAYMENTS  
7 FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIX-  
8 TURES.—

9 (1) Paragraph (6) of section 6426(c) is amend-  
10 ed by striking “December 31, 2013” and inserting  
11 “December 31, 2014”.

12 (2) Subparagraph (B) of section 6427(e)(6) is  
13 amended by striking “December 31, 2013” and in-  
14 serting “December 31, 2014”.

15 (b) EXTENSION OF ALTERNATIVE FUELS EXCISE  
16 TAX CREDITS.—

17 (1) IN GENERAL.—Sections 6426(d)(5) and  
18 6426(e)(3) are each amended by striking “December  
19 31, 2013” and inserting “December 31, 2014”.

20 (2) OUTLAY PAYMENTS FOR ALTERNATIVE  
21 FUELS.—Subparagraph (C) of section 6427(e)(6) is  
22 amended by striking “December 31, 2013” and in-  
23 serting “December 31, 2014”.

24 (c) EXTENSION OF ALTERNATIVE FUELS EXCISE  
25 TAX CREDITS RELATING TO LIQUEFIED HYDROGEN.—

1           (1) IN GENERAL.—Sections 6426(d)(5) and  
2           6426(e)(3), as amended by subsection (b), are each  
3           amended by striking “(September 30, 2014 in the  
4           case of any sale or use involving liquefied hydro-  
5           gen)”.

6           (2) OUTLAY PAYMENTS FOR ALTERNATIVE  
7           FUELS.—Paragraph (6) of section 6427(e) is  
8           amended—

9                   (A) by striking “except as provided in sub-  
10                   paragraph (D), any” in subparagraph (C), as  
11                   amended by this Act, and inserting “any”,

12                   (B) by striking the comma at the end of  
13                   subparagraph (C) and inserting “, and”, and

14                   (C) by striking subparagraph (D) and re-  
15                   designating subparagraph (E) as subparagraph  
16                   (D).

17           (d) EFFECTIVE DATES.—

18                   (1) IN GENERAL.—Except as provided in para-  
19                   graph (2), the amendments made by this section  
20                   shall apply to fuel sold or used after December 31,  
21                   2013.

22                   (2) LIQUEFIED HYDROGEN.—The amendments  
23                   made by subsection (c) shall apply to fuel sold or  
24                   used after September 30, 2014.

1 (e) SPECIAL RULE FOR CERTAIN PERIODS DURING  
2 2014.—Notwithstanding any other provision of law, in the  
3 case of—

4 (1) any biodiesel mixture credit properly deter-  
5 mined under section 6426(c) of the Internal Revenue  
6 Code of 1986 for periods after December 31, 2013,  
7 and before the date of the enactment of this Act,  
8 and

9 (2) any alternative fuel credit properly deter-  
10 mined under section 6426(d) of such Code for such  
11 periods,

12 such credit shall be allowed, and any refund or payment  
13 attributable to such credit (including any payment under  
14 section 6427(e) of such Code) shall be made, only in such  
15 manner as the Secretary of the Treasury (or the Sec-  
16 retary's delegate) shall provide. Such Secretary shall issue  
17 guidance within 30 days after the date of the enactment  
18 of this Act providing for a one-time submission of claims  
19 covering periods described in the preceding sentence. Such  
20 guidance shall provide for a 180-day period for the sub-  
21 mission of such claims (in such manner as prescribed by  
22 such Secretary) to begin not later than 30 days after such  
23 guidance is issued. Such claims shall be paid by such Sec-  
24 retary not later than 60 days after receipt. If such Sec-  
25 retary has not paid pursuant to a claim filed under this

1 subsection within 60 days after the date of the filing of  
2 such claim, the claim shall be paid with interest from such  
3 date determined by using the overpayment rate and meth-  
4 od under section 6621 of such Code.

5 **Subtitle D—Extenders Relating to**  
6 **Multiemployer Defined Benefit**  
7 **Pension Plans**

8 **SEC. 171. EXTENSION OF AUTOMATIC EXTENSION OF AMOR-**  
9 **TIZATION PERIODS.**

10 (a) IN GENERAL.—Subparagraph (C) of section  
11 431(d)(1) is amended by striking “December 31, 2014”  
12 and inserting “December 31, 2015”.

13 (b) AMENDMENT TO EMPLOYEE RETIREMENT IN-  
14 COME SECURITY ACT OF 1974.—Subparagraph (C) of sec-  
15 tion 304(d)(1) of the Employee Retirement Income Secu-  
16 rity Act of 1974 (29 U.S.C. 1084(d)(1)(C)) is amended  
17 by striking “December 31, 2014” and inserting “Decem-  
18 ber 31, 2015”.

19 (c) EFFECTIVE DATE.—The amendments made by  
20 this section shall apply to applications submitted under  
21 section 431(d)(1)(A) of the Internal Revenue Code of  
22 1986 and section 304(d)(1)(C) of the Employee Retire-  
23 ment Income Security Act of 1974 after December 31,  
24 2014.

1 **SEC. 172. EXTENSION OF SHORTFALL FUNDING METHOD**  
2 **AND ENDANGERED AND CRITICAL RULES.**

3 (a) IN GENERAL.—Paragraphs (1) and (2) of section  
4 221(c) of the Pension Protection Act of 2006 are each  
5 amended by striking “December 31, 2014” and inserting  
6 “December 31, 2015”.

7 (b) CONFORMING AMENDMENT.—Paragraph (2) of  
8 section 221(c) of the Pension Protection Act of 2006 is  
9 amended by striking “January 1, 2015” and inserting  
10 “January 1, 2016”.

11 (c) EFFECTIVE DATE.—The amendments made by  
12 this section shall apply to plan years beginning after De-  
13 cember 31, 2014.

14 **TITLE II—TECHNICAL**  
15 **CORRECTIONS**

16 **SEC. 201. SHORT TITLE.**

17 This title may be cited as the “Tax Technical Correc-  
18 tions Act of 2014”.

19 **SEC. 202. AMENDMENTS RELATING TO AMERICAN TAX-**  
20 **PAYER RELIEF ACT OF 2012.**

21 (a) AMENDMENT RELATING TO SECTION 101(b).—  
22 Subclause (I) of section 642(b)(2)(C)(i) is amended by  
23 striking “section 151(d)(3)(C)(iii)” and inserting “section  
24 68(b)(1)(C)”.

25 (b) AMENDMENT RELATING TO SECTION 102.—  
26 Clause (ii) of section 911(f)(2)(B) is amended by striking

1 “described in section 1(h)(1)(B) shall be treated as a ref-  
2 erence to such excess as determined” and inserting “de-  
3 scribed in section 1(h)(1)(B), and the reference in section  
4 55(b)(3)(C)(ii) to the excess described in section  
5 1(h)(1)(C)(ii), shall each be treated as a reference to each  
6 such excess as determined”.

7 (c) AMENDMENTS RELATING TO SECTION 104.—

8 (1) Clause (ii) of section 55(d)(4)(B) is amend-  
9 ed by inserting “subparagraphs (A), (B), and (D)  
10 of” before “paragraph (1)”.

11 (2) Subparagraph (C) of section 55(d)(4) is  
12 amended by striking “increase” and inserting “in-  
13 creased amount”.

14 (d) AMENDMENTS RELATING TO SECTION 310.—  
15 Clause (iii) of section 6431(f)(3)(A) is amended—

16 (1) by striking “2011” and inserting “years  
17 after 2010”, and

18 (2) by striking “of such allocation” and insert-  
19 ing “of any such allocation”.

20 (e) AMENDMENT RELATING TO SECTION 331.—

21 Clause (iii) of section 168(k)(4)(J) is amended by striking  
22 “any taxable year” and inserting “its first taxable year”.

23 (f) EFFECTIVE DATE.—The amendments made by  
24 this section shall take effect as if included in the provision

1 of the American Taxpayer Relief Act of 2012 to which  
2 they relate.

3 **SEC. 203. AMENDMENT RELATING TO MIDDLE CLASS TAX**  
4 **RELIEF AND JOB CREATION ACT OF 2012.**

5 (a) AMENDMENT RELATING TO SECTION 7001.—  
6 Paragraph (1) of section 7001 of the Middle Class Tax  
7 Relief and Job Creation Act of 2012 is amended by strik-  
8 ing “201(b)” and inserting “202(b)”.

9 (b) EFFECTIVE DATE.—The amendment made by  
10 subsection (a) shall take effect as if included in section  
11 7001 of the Middle Class Tax Relief and Job Creation  
12 Act of 2012.

13 **SEC. 204. AMENDMENT RELATING TO FAA MODERNIZATION**  
14 **AND REFORM ACT OF 2012.**

15 (a) AMENDMENT RELATING TO SECTION 1107.—  
16 Section 4281 is amended to read as follows:

17 **“SEC. 4281. SMALL AIRCRAFT ON NONESTABLISHED LINES.**

18 “(a) IN GENERAL.—The taxes imposed by sections  
19 4261 and 4271 shall not apply to transportation by an  
20 aircraft having a maximum certificated takeoff weight of  
21 6,000 pounds or less, except when such aircraft is oper-  
22 ated on an established line or when such aircraft is a jet  
23 aircraft.

24 “(b) MAXIMUM CERTIFICATED TAKEOFF WEIGHT.—

25 For purposes of this section, the term ‘maximum certifi-

1 cated takeoff weight’ means the maximum such weight  
2 contained in the type certificate or airworthiness certifi-  
3 cate.

4 “(c) SIGHTSEEING.—For purposes of this section, an  
5 aircraft shall not be considered as operated on an estab-  
6 lished line at any time during which such aircraft is being  
7 operated on a flight the sole purpose of which is sight-  
8 seeing.

9 “(d) JET AIRCRAFT.—For purposes of this section,  
10 the term ‘jet aircraft’ shall not include any aircraft which  
11 is a rotorcraft or propeller aircraft.”

12 (b) EFFECTIVE DATE.—The amendment made by  
13 subsection (a) shall take effect as if included in section  
14 1107 of the FAA Modernization and Reform Act of 2012.

15 **SEC. 205. AMENDMENTS RELATING TO REGULATED INVEST-**  
16 **MENT COMPANY MODERNIZATION ACT OF**  
17 **2010.**

18 (a) AMENDMENTS RELATING TO SECTION 101.—

19 (1) Subsection (c) of section 101 of the Regu-  
20 lated Investment Company Modernization Act of  
21 2010 is amended—

22 (A) by striking “paragraph (2)” in para-  
23 graph (1) and inserting “paragraphs (2) and  
24 (3)”, and

1 (B) by adding at the end the following new  
2 paragraph:

3 “(3) EXCISE TAX.—

4 “(A) IN GENERAL.—Except as provided in  
5 subparagraph (B), for purposes of section 4982  
6 of the Internal Revenue Code of 1986, para-  
7 graphs (1) and (2) shall apply by substituting  
8 ‘the 1-year periods taken into account under  
9 subsection (b)(1)(B) of such section with re-  
10 spect to calendar years beginning after Decem-  
11 ber 31, 2010’ for ‘taxable years beginning after  
12 the date of the enactment of this Act’.

13 “(B) ELECTION.—A regulated investment  
14 company may elect to apply subparagraph (A)  
15 by substituting ‘2011’ for ‘2010’. Such election  
16 shall be made at such time and in such form  
17 and manner as the Secretary of the Treasury  
18 (or the Secretary’s delegate) shall prescribe.”.

19 (2) The first sentence of paragraph (2) of sec-  
20 tion 852(c) is amended—

21 (A) by striking “and without regard to”  
22 and inserting “, without regard to”, and

23 (B) by inserting “, and without regard to  
24 any capital loss arising on the first day of the  
25 taxable year by reason of clauses (ii) and (iii)

1 of section 1212(a)(3)(A)” before the period at  
2 the end.

3 (b) AMENDMENT RELATING TO SECTION 304.—  
4 Paragraph (1) of section 855(a) is amended by inserting  
5 “on or” before “before”.

6 (c) AMENDMENTS RELATING TO SECTION 308.—

7 (1) Paragraph (8) of section 852(b) is amended  
8 by redesignating subparagraph (E) as subparagraph  
9 (G) and by striking subparagraphs (C) and (D) and  
10 inserting the following new subparagraphs:

11 “(C) POST-OCTOBER CAPITAL LOSS.—For  
12 purposes of this paragraph, the term ‘post-October  
13 capital loss’ means—

14 “(i) any net capital loss attributable  
15 to the portion of the taxable year after October  
16 31, or

17 “(ii) if there is no such loss—

18 “(I) any net long-term capital  
19 loss attributable to such portion of the  
20 taxable year, or

21 “(II) any net short-term capital  
22 loss attributable to such portion of the  
23 taxable year.

24 “(D) LATE-YEAR ORDINARY LOSS.—For  
25 purposes of this paragraph, the term ‘late-year

1 ordinary loss' means the sum of any post-October  
2 ber specified loss and any post-December ordinary  
3 loss.

4 “(E) POST-OCTOBER SPECIFIED LOSS.—  
5 For purposes of this paragraph, the term ‘post-  
6 October specified loss’ means the excess (if any)  
7 of—

8 “(i) the specified losses (as defined in  
9 section 4982(e)(5)(B)(ii)) attributable to  
10 the portion of the taxable year after Octo-  
11 ber 31, over

12 “(ii) the specified gains (as defined in  
13 section 4982(e)(5)(B)(i)) attributable to  
14 such portion of the taxable year.

15 “(F) POST-DECEMBER ORDINARY LOSS.—  
16 For purposes of this paragraph, the term ‘post-  
17 December ordinary loss’ means the excess (if  
18 any) of—

19 “(i) the ordinary losses not described  
20 in subparagraph (E)(i) and attributable to  
21 the portion of the taxable year after De-  
22 cember 31, over

23 “(ii) the ordinary income not de-  
24 scribed in subparagraph (E)(ii) and attrib-

1           utable to such portion of the taxable  
2           year.”.

3           (2) Subparagraph (G) of section 852(b)(8), as  
4           so redesignated, is amended by striking “, (D)(i)(I),  
5           and (D)(ii)(I)” and inserting “and (E)”.

6           (3) The first sentence of paragraph (2) of sec-  
7           tion 852(c), as amended by subsection (a), is amend-  
8           ed—

9                   (A) by striking “, and without regard to”  
10                   and inserting “, without regard to”, and

11                   (B) by inserting “, and with such other ad-  
12                   justments as the Secretary may prescribe” be-  
13                   fore the period at the end.

14           (d) AMENDMENTS RELATING TO SECTION 402.—

15           (1) Subparagraph (B) of section 4982(e)(6) is  
16           amended by inserting before the period at the end  
17           the following: “or which determines income by ref-  
18           erence to the value of an item on the last day of the  
19           taxable year”.

20           (2) Subparagraph (A) of section 4982(e)(7) is  
21           amended by striking “such company” and all that  
22           follows through “any net ordinary loss” and insert-  
23           ing “such company may elect to determine its ordi-  
24           nary income and net ordinary loss (as defined in

1 paragraph (2)(C)(ii)) for the calendar year without  
2 regard to any portion of any net ordinary loss”.

3 (e) CLERICAL AMENDMENT RELATING TO SECTION  
4 201.—Subparagraph (A) of section 851(d)(2) is amended  
5 by inserting “of this paragraph” after “subparagraph  
6 (B)(i)”.

7 (f) EFFECTIVE DATE.—

8 (1) IN GENERAL.—Except as provided in para-  
9 graph (2), the amendments made by this section  
10 shall take effect as if included in the provision of the  
11 Regulated Investment Company Modernization Act  
12 of 2010 to which they relate.

13 (2) SAVINGS PROVISION.—In the case of an  
14 election by a regulated investment company under  
15 section 852(b)(8) of the Internal Revenue Code of  
16 1986 with respect to any taxable year beginning be-  
17 fore the date of the enactment of this Act, such com-  
18 pany may treat the amendments made by para-  
19 graphs (1) and (2) of subsection (c) as not applying  
20 with respect to any such election.

1 **SEC. 206. AMENDMENTS RELATING TO TAX RELIEF, UNEM-**  
2 **PLOYMENT INSURANCE REAUTHORIZATION,**  
3 **AND JOB CREATION ACT OF 2010.**

4 (a) AMENDMENT RELATING TO SECTION 103.—  
5 Clause (ii) of section 32(b)(3)(B) is amended by striking  
6 “in 2010” and inserting “after 2009”.

7 (b) CLERICAL AMENDMENTS RELATING TO SECTION  
8 302.—

9 (1) Paragraph (1) of section 2801(a) is amend-  
10 ed by striking “(or, if greater, the highest rate of  
11 tax specified in the table applicable under section  
12 2502(a) as in effect on the date)”.

13 (2) Subsection (f) of section 302 of the Tax Re-  
14 lief, Unemployment Insurance Reauthorization, and  
15 Job Creation Act of 2010 is amended by striking  
16 “subsection” and inserting “section”.

17 (c) AMENDMENTS RELATING TO SECTION 753.—  
18 Subparagraph (A) of section 1397B(b)(1) is amended by  
19 striking “and” at the end of clause (ii), by striking the  
20 period at the end of clause (iii) and inserting “, and”, and  
21 by adding at the end the following new clause:

22 “(iv) the day after the date set forth  
23 in section 1391(d)(1)(A)(i) were sub-  
24 stituted for ‘January 1, 2010’ each place it  
25 appears.”.

1 (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect as if included in the provisions  
3 of the Tax Relief, Unemployment Insurance Reauthoriza-  
4 tion, and Job Creation Act of 2010 to which they relate.

5 **SEC. 207. AMENDMENTS RELATING TO CREATING SMALL**  
6 **BUSINESS JOBS ACT OF 2010.**

7 (a) AMENDMENTS RELATING TO SECTION 2102.—

8 (1) Subsection (h) of section 2102 of the Cre-  
9 ating Small Business Jobs Act of 2010 is amended  
10 by inserting “, and payee statements required to be  
11 furnished,” after “information returns required to  
12 be filed”.

13 (2) Paragraphs (1) and (2) of subsection (b),  
14 and subsection (c)(1)(C), of section 6722 are each  
15 amended by striking “the required filing date” and  
16 inserting “the date prescribed for furnishing such  
17 statement”.

18 (3) Subparagraph (B) of section 6722(c)(2) is  
19 amended by striking “filed” and inserting “fur-  
20 nished”.

21 (b) EFFECTIVE DATE.—The amendments made by  
22 this section shall take effect as if included in the provision  
23 of the Creating Small Business Jobs Act of 2010 to which  
24 they relate.

1 **SEC. 208. CLERICAL AMENDMENT RELATING TO HIRING IN-**  
2 **CENTIVES TO RESTORE EMPLOYMENT ACT.**

3 (a) AMENDMENT RELATING TO SECTION 512.—  
4 Paragraph (1) of section 512(a) of the Hiring Incentives  
5 to Restore Employment Act is amended by striking “after  
6 paragraph (6)” and inserting “after paragraph (5)”.

7 (b) EFFECTIVE DATE.—The amendment made by  
8 this section shall take effect as if included in the provision  
9 of the Hiring Incentives to Restore Employment Act to  
10 which it relates.

11 **SEC. 209. AMENDMENTS RELATING TO AMERICAN RECOV-**  
12 **ERY AND REINVESTMENT TAX ACT OF 2009.**

13 (a) AMENDMENT RELATING TO SECTION 1003.—  
14 Paragraph (4) of section 24(d) is amended to read as fol-  
15 lows:

16 “(4) SPECIAL RULE FOR CERTAIN YEARS.—In  
17 the case of any taxable year beginning after 2008  
18 and before 2018, paragraph (1)(B)(i) shall be ap-  
19 plied by substituting ‘\$3,000’ for ‘\$10,000’.”.

20 (b) AMENDMENT RELATING TO SECTION 1004.—  
21 Paragraph (3) of section 25A(i) is amended by striking  
22 “Subsection (f)(1)(A) shall be applied” and inserting “For  
23 purposes of determining the Hope Scholarship Credit, sub-  
24 section (f)(1)(A) shall be applied”.

25 (c) AMENDMENTS RELATING TO SECTION 1008.—

1           (1) Paragraph (6) of section 164(b) is amended  
2           by striking subparagraph (E) and by redesignating  
3           subparagraphs (F) and (G) as subparagraphs (E)  
4           and (F), respectively.

5           (2) Subparagraphs (E) and (F) of section  
6           164(b)(6), as so redesignated, are each amended by  
7           striking “This paragraph” and inserting “Subsection  
8           (a)(6)”.

9           (d) AMENDMENT RELATING TO SECTION 1104.—  
10          Subparagraph (A) of section 48(d)(3) is amended by in-  
11          serting “or alternative minimum taxable income” after  
12          “includible in the gross income”.

13          (e) AMENDMENTS RELATING TO SECTION 1141.—

14           (1) Subsection (f) of section 30D is amended—

15           (A) by inserting “(determined without re-  
16           gard to subsection (c))” before the period at the  
17           end of paragraph (1), and

18           (B) by inserting “(determined without re-  
19           gard to subsection (c))” before the period at the  
20           end of paragraph (2).

21           (2) Paragraph (3) of section 30D(f) is amended  
22          by adding at the end the following: “For purposes  
23          of subsection (e), property to which this paragraph  
24          applies shall be treated as of a character subject to  
25          an allowance for depreciation.”.

1 (f) AMENDMENTS RELATING TO SECTION 1142.—

2 (1) Subsection (b) of section 38 is amended by  
3 striking “plus” at the end of paragraph (35), by re-  
4 designating paragraph (36) as paragraph (37), and  
5 by inserting after paragraph (35) the following new  
6 paragraph:

7 “(36) the portion of the qualified plug-in elec-  
8 tric vehicle credit to which section 30(c)(1) applies,  
9 plus”.

10 (2)(A) Subsection (e) of section 30 is amend-  
11 ed—

12 (i) by inserting “(determined without re-  
13 gard to subsection (c))” before the period at the  
14 end of paragraph (1), and

15 (ii) by inserting “(determined without re-  
16 gard to subsection (c))” before the period at the  
17 end of paragraph (2).

18 (B) Paragraph (3) of section 30(e) is amended  
19 by adding at the end the following: “For purposes  
20 of subsection (e), property to which this paragraph  
21 applies shall be treated as of a character subject to  
22 an allowance for depreciation.”.

23 (g) AMENDMENT RELATING TO SECTION 1302.—

24 Paragraph (3) of section 48C(b) is amended by inserting

1 “as the qualified investment” after “The amount which  
2 is treated”.

3 (h) AMENDMENTS RELATED TO SECTION 1541.—

4 (1) Paragraph (2) of section 853A(a) is amend-  
5 ed by inserting “(determined after the application of  
6 this section)” before the comma at the end.

7 (2) Subsection (a) of section 853A is amend-  
8 ed—

9 (A) by striking “with respect to credits”  
10 and inserting “with respect to some or all of  
11 the credits”, and

12 (B) by inserting “(determined without re-  
13 gard to this section and sections 54(c),  
14 54A(c)(1), 54AA(c)(1), and 1397E(c))” after  
15 “credits allowable”.

16 (3) Subsection (b) of section 853A is amended  
17 to read as follows:

18 “(b) EFFECT OF ELECTION.—If the election provided  
19 in subsection (a) is in effect with respect to any credits  
20 for any taxable year—

21 “(1) the regulated investment company—

22 “(A) shall not be allowed such credits,

23 “(B) shall include in gross income (as in-  
24 terest) for such taxable year the amount which  
25 would have been so included with respect to

1 such credits had the application of this section  
2 not been elected,

3 “(C) shall include in earnings and profits  
4 the amount so included in gross income, and

5 “(D) shall be treated as making one or  
6 more distributions of money with respect to its  
7 stock equal to the amount of such credits on  
8 the date or dates (on or after the applicable  
9 date for any such credit) during such taxable  
10 year (or following the close of the taxable year  
11 pursuant to section 855) selected by the  
12 company, and

13 “(2) each shareholder of such investment com-  
14 pany shall—

15 “(A) be treated as receiving such share-  
16 holder’s proportionate share of any distribution  
17 of money which is treated as made by such in-  
18 vestment company under paragraph (1)(D), and

19 “(B) be allowed credits against the tax im-  
20 posed by this chapter equal to the amount of  
21 such distribution, subject to the provisions of  
22 this title applicable to the credit involved.”.

23 (4) Subsection (c) of section 853A is amended  
24 to read as follows:

1       “(c) NOTICE TO SHAREHOLDERS.—The amount  
2 treated as a distribution of money received by a share-  
3 holder under subsection (b)(2)(A) (and as credits allowed  
4 to such shareholder under subsection (b)(2)(B)) shall not  
5 exceed the amount so reported by the regulated invest-  
6 ment company in a written statement furnished to such  
7 shareholder.”.

8           (5) Clause (ii) of section 853A(e)(1)(A) is  
9 amended by inserting “other than a qualified bond  
10 described in section 54AA(g)” after “as defined in  
11 section 54AA(d)”.

12       (i) AMENDMENTS RELATING TO SECTION 2202.—

13           (1) Subparagraph (A) of section 2202(b)(1) of  
14 division B of the American Recovery and Reinvest-  
15 ment Act of 2009 is amended by inserting “political  
16 subdivision of a State,” after “any State,”.

17           (2) Section 2202 of division B of the American  
18 Recovery and Reinvestment Act of 2009 is amended  
19 by adding at the end the following new subsection:

20       “(e) TREATMENT OF POSSESSIONS.—

21           “(1) PAYMENTS TO MIRROR CODE POSSES-  
22 SIONS.—The Secretary of the Treasury shall pay to  
23 each possession of the United States with a mirror  
24 code tax system amounts equal to the loss to that  
25 possession by reason of credits allowed under sub-

1 section (a) with respect to taxable years beginning in  
2 2009. Such amounts shall be determined by the Sec-  
3 retary of the Treasury based on information pro-  
4 vided by the government of the respective possession.

5 “(2) COORDINATION WITH CREDIT ALLOWED  
6 AGAINST UNITED STATES INCOME TAXES.—No cred-  
7 it shall be allowed against United States income  
8 taxes for any taxable year under this section to any  
9 person to whom a credit is allowed against taxes im-  
10 posed by the possession by reason of the credit al-  
11 lowed under subsection (a) for such taxable year.

12 “(3) DEFINITIONS AND SPECIAL RULES.—

13 “(A) POSSESSION OF THE UNITED  
14 STATES.—For purposes of this subsection, the  
15 term ‘possession of the United States’ includes  
16 the Commonwealth of the Northern Mariana Is-  
17 lands.

18 “(B) MIRROR CODE TAX SYSTEM.—For  
19 purposes of this subsection, the term ‘mirror  
20 code tax system’ means, with respect to any  
21 possession of the United States, the income tax  
22 system of such possession if the income tax li-  
23 ability of the residents of such possession under  
24 such system is determined by reference to the

1 income tax laws of the United States as if such  
2 possession were the United States.

3 “(C) TREATMENT OF PAYMENTS.—For  
4 purposes of section 1324(b)(2) of title 31,  
5 United States Code, the payments under this  
6 subsection shall be treated in the same manner  
7 as a refund due from the credit allowed under  
8 section 36A of the Internal Revenue Code of  
9 1986 (as added by this Act).”.

10 (j) CLERICAL AMENDMENTS.—

11 (1) AMENDMENT RELATING TO SECTION  
12 1131.—Paragraph (2) of section 45Q(d) is amended  
13 by striking “Administrator of the Environmental  
14 Protection Agency” and all that follows through  
15 “shall establish” and inserting “Administrator of the  
16 Environmental Protection Agency, the Secretary of  
17 Energy, and the Secretary of the Interior, shall es-  
18 tablish”.

19 (2) AMENDMENT RELATING TO SECTION  
20 1141.—Paragraph (37) of section 1016(a) is amend-  
21 ed by striking “section 30D(e)(4)” and inserting  
22 “section 30D(f)(1)”.

23 (3) AMENDMENT RELATING TO SECTION  
24 3001.—Subparagraph (A) of section 3001(a)(14) of  
25 the American Recovery and Reinvestment Act of

1 2009 is amended by striking “is amended by redesi-  
2 gnating paragraph (9) as paragraph (10)” and in-  
3 serting “, as amended by this Act, is amended by re-  
4 designating paragraphs (9) and (10) as paragraphs  
5 (10) and (11), respectively.”.

6 (k) EFFECTIVE DATE.—The amendments made by  
7 this section shall take effect as if included in the provisions  
8 of the American Recovery and Reinvestment Tax Act of  
9 2009 to which they relate.

10 **SEC. 210. AMENDMENTS RELATING TO ENERGY IMPROVE-**  
11 **MENT AND EXTENSION ACT OF 2008.**

12 (a) AMENDMENT RELATING TO SECTION 108.—Sub-  
13 paragraph (E) of section 45K(g)(2) is amended to read  
14 as follows:

15 “(E) COORDINATION WITH SECTION 45.—  
16 No credit shall be allowed with respect to any  
17 coke or coke gas which is produced using steel  
18 industry fuel (as defined in section 45(c)(7)) as  
19 feedstock if a credit is allowed to any taxpayer  
20 under section 45 with respect to the production  
21 of such steel industry fuel.”.

22 (b) AMENDMENT RELATING TO SECTION 113.—  
23 Paragraph (1) of section 113(b) of the Energy Improve-  
24 ment and Extension Act of 2008 is amended by adding  
25 at the end the following new subparagraph:

1                   “(F) TRUST FUND.—The term ‘Trust  
2                   Fund’ means the Black Lung Disability Trust  
3                   Fund established under section 9501 of the In-  
4                   ternal Revenue Code of 1986.”.

5                   (c) AMENDMENTS RELATING TO SECTION 306.—

6                   (1) Clause (ii) of section 168(i)(18)(A) is  
7                   amended by striking “10 years” and inserting “16  
8                   years”.

9                   (2) Clause (ii) of section 168(i)(19)(A) is  
10                  amended by striking “10 years” and inserting “16  
11                  years”.

12                  (d) AMENDMENT RELATING TO SECTION 308.—  
13                  Clause (i) of section 168(m)(2)(B) is amended by striking  
14                  “section 168(k)” and inserting “subsection (k) (deter-  
15                  mined without regard to paragraph (4) thereof)”.

16                  (e) AMENDMENT RELATING TO SECTION 402.—Sub-  
17                  paragraph (A) of section 907(f)(4) is amended by striking  
18                  “this subsection shall be applied” and all that follows  
19                  through the period at the end and inserting the following:  
20                  “this subsection, as in effect on the day before the date  
21                  of the enactment of the Energy Improvement and Exten-  
22                  sion Act of 2008, shall apply to unused oil and gas extrac-  
23                  tion taxes carried from such unused credit year to a tax-  
24                  able year beginning after December 31, 2008.”.

25                  (f) AMENDMENTS RELATING TO SECTION 403.—

1           (1) Subsection (c) of section 1012 is amend-  
2       ed—

3           (A) by striking “FUNDS” in the heading  
4       for paragraph (2) and inserting “REGULATED  
5       INVESTMENT COMPANIES”,

6           (B) by striking “FUND” in the heading for  
7       paragraph (2)(B), and

8           (C) by striking “fund” each place it ap-  
9       pears in paragraph (2) and inserting “regulated  
10      investment company”.

11          (2) Paragraph (1) of section 1012(d) is amend-  
12      ed—

13          (A) by striking “December 31, 2010” and  
14      inserting “December 31, 2011”, and

15          (B) by striking “an open-end fund” and  
16      inserting “a regulated investment company”.

17          (3) Paragraph (3) of section 1012(d) is amend-  
18      ed to read as follows:

19           “(3) SEPARATE ACCOUNTS; ELECTION FOR  
20      TREATMENT AS SINGLE ACCOUNT.—

21           “(A) IN GENERAL.—Rules similar to the  
22      rules of subsection (c)(2) shall apply for pur-  
23      poses of this subsection.

24           “(B) AVERAGE BASIS METHOD.—Notwith-  
25      standing paragraph (1), in the case of an elec-

1           tion under rules similar to the rules of sub-  
2           section (c)(2)(B) with respect to stock held in  
3           connection with a dividend reinvestment plan,  
4           the average basis method is permissible with re-  
5           spect to all such stock without regard to the  
6           date of the acquisition of such stock.”.

7           (4) Subsection (g) of section 6045 is amended  
8           by adding at the end the following new paragraph:

9           “(6) SPECIAL RULE FOR CERTAIN STOCK HELD  
10          IN CONNECTION WITH DIVIDEND REINVESTMENT  
11          PLAN.—For purposes of this subsection, stock ac-  
12          quired before January 1, 2012, in connection with a  
13          dividend reinvestment plan shall be treated as stock  
14          described in clause (ii) of paragraph (3)(C) (unless  
15          the broker with respect to such stock elects not to  
16          have this paragraph apply with respect to such  
17          stock).”.

18          (g) CLERICAL AMENDMENTS.—

19                 (1) AMENDMENT RELATING TO SECTION 108.—  
20          Paragraph (2) of section 45(b) is amended by strik-  
21          ing “\$3 amount” and inserting “\$2 amount”.

22                 (2) AMENDMENT RELATING TO SECTION 306.—

23                         (A) Paragraph (5) of section 168(b) is  
24                         amended by striking “(2)(C)” and inserting  
25                         “(2)(D)”.

1           (B) The last sentence of section  
2           168(k)(4)(C)(i) is amended by striking  
3           “(b)(2)(C)” and inserting “(b)(2)(D)”.

4           (h) EFFECTIVE DATE.—The amendments made by  
5 this section shall take effect as if included in the provisions  
6 of the Energy Improvement and Extension Act of 2008  
7 to which they relate.

8 **SEC. 211. AMENDMENTS RELATING TO TAX EXTENDERS**  
9                                   **AND ALTERNATIVE MINIMUM TAX RELIEF**  
10                                   **ACT OF 2008.**

11           (a) AMENDMENT RELATING TO SECTION 208.—Sub-  
12 section (b) of section 208 of the Tax Extenders and Alter-  
13 native Minimum Tax Relief Act of 2008 is amended to  
14 read as follows:

15           “(b) EFFECTIVE DATE.—

16                   “(1) IN GENERAL.—The amendment made by  
17 subsection (a) shall take effect on January 1, 2008.  
18 Notwithstanding the preceding sentence, such  
19 amendment shall not apply with respect to the with-  
20 holding requirement under section 1445 of the Inter-  
21 nal Revenue Code of 1986 for any payment made  
22 before October 4, 2008.

23                   “(2) AMOUNTS WITHHELD ON OR BEFORE  
24 DATE OF ENACTMENT.—In the case of a regulated  
25 investment company—

1           “(A) which makes a distribution after De-  
2           cember 31, 2007, and before October 4, 2008,  
3           and

4           “(B) which would (but for the second sen-  
5           tence of paragraph (1)) have been required to  
6           withhold with respect to such distribution under  
7           section 1445 of such Code,  
8           such investment company shall not be liable to any  
9           person to whom such distribution was made for any  
10          amount so withheld and paid over to the Secretary  
11          of the Treasury.”.

12          (b) AMENDMENTS RELATING TO SECTION 305.—  
13          Paragraphs (7)(B) and (8)(D) of section 168(e) are each  
14          amended by inserting “which is not qualified leasehold im-  
15          provement property” after “Property described in this  
16          paragraph”.

17          (c) CLERICAL AMENDMENTS.—

18                  (1) AMENDMENTS RELATING TO SECTION  
19                  706.—

20                          (A) Paragraph (2) of section 1033(h) is  
21                          amended by inserting “is” before  
22                          “compulsorily”.

23                          (B) Subclause (II) of section  
24                          172(b)(1)(F)(ii) is amended by striking “sub-

1 section (h)(3)(C)(i)” and inserting “section  
2 165(h)(3)(C)(i)”.

3 (C) The heading for paragraph (1) of sec-  
4 tion 165(h) is amended by striking “\$100” and  
5 inserting “DOLLAR”.

6 (2) AMENDMENT RELATING TO SECTION 709.—  
7 Subsection (k) of section 143 is amended by redesignig-  
8 nating the second paragraph (12) (relating to special  
9 rules for residences destroyed in Federally declared  
10 disasters) as paragraph (13).

11 (3) AMENDMENT RELATING TO SECTION 712.—  
12 Section 712 of the Tax Extenders and Alternative  
13 Minimum Tax Relief Act of 2008 is amended by  
14 striking “section 702(c)(1)(A)” and inserting “sec-  
15 tion 702(b)(1)(A)”.

16 (d) EFFECTIVE DATE.—The amendments made by  
17 this section shall take effect as if included in the provisions  
18 of the Tax Extenders and Alternative Minimum Tax Relief  
19 Act of 2008 to which they relate.

20 **SEC. 212. CLERICAL AMENDMENTS RELATING TO HOUSING**  
21 **ASSISTANCE TAX ACT OF 2008.**

22 (a) AMENDMENT RELATING TO SECTION 3002.—  
23 Paragraph (1) of section 42(b) is amended by striking  
24 “For purposes of this section, the term” and inserting the  
25 following: “For purposes of this section—

1                   “(A) IN GENERAL.—The term”.

2           (b) AMENDMENT RELATING TO SECTION 3081.—  
3 Clause (iv) of section 168(k)(4)(E) is amended by striking  
4 “adjusted minimum tax” and inserting “adjusted net min-  
5 imum tax”.

6           (c) AMENDMENT RELATING TO SECTION 3092.—  
7 Subsection (b) of section 121 is amended by redesignating  
8 the second paragraph (4) (relating to exclusion of gain al-  
9 located to nonqualified use) as paragraph (5).

10          (d) EFFECTIVE DATE.—The amendments made by  
11 this section shall take effect as if included in the provisions  
12 of the Housing Assistance Tax Act of 2008 to which they  
13 relate.

14 **SEC. 213. AMENDMENTS AND PROVISION RELATING TO HE-**  
15 **ROES EARNINGS ASSISTANCE AND RELIEF**  
16 **TAX ACT OF 2008.**

17          (a) AMENDMENT RELATING TO SECTION 106.—  
18 Paragraph (2) of section 106(c) of the Heroes Earnings  
19 Assistance and Relief Tax Act of 2008 is amended by  
20 striking “substituting for” and inserting “substituting  
21 ‘June 17, 2008’ for”.

22          (b) AMENDMENT RELATING TO SECTION 114.—  
23 Paragraph (1) of section 125(h) is amended by inserting  
24 “(and shall not fail to be treated as an accident or health  
25 plan)” before “merely”.

1 (c) CLERICAL AMENDMENTS.—

2 (1) AMENDMENT RELATING TO SECTION 110.—

3 Subparagraph (B) of section 121(d)(12) is amended  
4 by inserting “of paragraph (9)” after “and (D)”.

5 (2) AMENDMENT RELATING TO SECTION 301.—

6 Paragraph (2) of section 877(e) is amended by strik-  
7 ing “subparagraph (A) or (B) of”.

8 (d) EFFECTIVE DATE.—The amendments made by  
9 this section shall take effect as if included in the provisions  
10 of the Heroes Earnings Assistance and Relief Tax Act of  
11 2008 to which they relate.

12 **SEC. 214. AMENDMENTS RELATING TO ECONOMIC STIM-**  
13 **ULUS ACT OF 2008.**

14 (a) AMENDMENTS RELATING TO SECTION 101.—

15 Paragraph (2) of section 6213(g) is amended—

16 (1) by striking “32, or 6428” in subparagraph  
17 (L) and inserting “or 32”, and

18 (2) by striking “and” at the end of subpara-  
19 graph (O), by striking the period at the end of sub-  
20 paragraph (P) and inserting “, and”, and by insert-  
21 ing after subparagraph (P) the following new sub-  
22 paragraph:

23 “(Q) an omission of a correct valid identi-  
24 fication number required under section 6428(h)

1 (relating to 2008 recovery rebates for individ-  
2 uals) to be included on a return.”.

3 (b) CLERICAL AMENDMENT RELATING TO SECTION  
4 103.—Subclause (IV) of section 168(k)(2)(B)(i) is amend-  
5 ed by striking “clauses also apply” and inserting “clause  
6 also applies”.

7 (c) EFFECTIVE DATE.—The amendments made by  
8 this section shall take effect as if included in the provisions  
9 of the Economic Stimulus Act of 2008 to which they re-  
10 late.

11 **SEC. 215. AMENDMENTS RELATING TO TAX TECHNICAL**  
12 **CORRECTIONS ACT OF 2007.**

13 (a) AMENDMENT RELATING TO SECTION 4(c).—  
14 Paragraph (1) of section 911(f) is amended by adding at  
15 the end the following flush sentence:

16 “For purposes of this paragraph, the amount ex-  
17 cluded under subsection (a) shall be reduced by the  
18 aggregate amount of any deductions or exclusions  
19 disallowed under subsection (d)(6) with respect to  
20 such excluded amount.”.

21 (b) CLERICAL AMENDMENT RELATING TO SECTION  
22 11(g).—Clause (iv) of section 56(g)(4)(C) is amended by  
23 striking “a cooperative described in section 927(a)(4)”  
24 and inserting “an organization to which part I of sub-  
25 chapter T (relating to tax treatment of cooperatives) ap-

1 plies which is engaged in the marketing of agricultural or  
2 horticultural products”.

3 (c) EFFECTIVE DATE.—The amendments made by  
4 this section shall take effect as if included in the provisions  
5 of the Tax Technical Corrections Act of 2007 to which  
6 they relate.

7 **SEC. 216. AMENDMENT RELATING TO TAX RELIEF AND**  
8 **HEALTH CARE ACT OF 2006.**

9 (a) AMENDMENT RELATING TO SECTION 105.—Sub-  
10 paragraph (B) of section 45A(b)(1) is amended by adding  
11 at the end the following: “If any portion of wages are  
12 taken into account under subsection (e)(1)(A) of section  
13 51, the preceding sentence shall be applied by substituting  
14 ‘2-year period’ for ‘1-year period’.”.

15 (b) EFFECTIVE DATE.—The amendment made by  
16 this section shall take effect as if included in the provision  
17 of the Tax Relief and Health Care Act of 2006 to which  
18 it relates.

19 **SEC. 217. AMENDMENT RELATING TO SAFE, ACCOUNTABLE,**  
20 **FLEXIBLE, EFFICIENT TRANSPORTATION EQ-**  
21 **UITY ACT OF 2005: A LEGACY FOR USERS.**

22 (a) AMENDMENT RELATING TO SECTION 11161.—  
23 Paragraph (1) of section 9503(b) is amended by inserting  
24 before the period at the end the following: “and taxes re-  
25 ceived under section 4081 shall be determined without re-

1 gard to tax receipts attributable to the rate specified in  
2 section 4081(a)(2)(C)”.

3 (b) EFFECTIVE DATE.—The amendment made by  
4 this section shall take effect as if included in the provision  
5 of the Safe, Accountable, Flexible, Efficient Transpor-  
6 tation Equity Act of 2005: A Legacy for Users to which  
7 it relates.

8 **SEC. 218. AMENDMENTS RELATING TO ENERGY TAX INCEN-**  
9 **TIVES ACT OF 2005.**

10 (a) AMENDMENT RELATING TO SECTION 1341.—  
11 Subparagraph (B) of section 30B(h)(5) is amended by in-  
12 serting “(determined without regard to subsection (g))”  
13 before the period at the end.

14 (b) AMENDMENT RELATING TO SECTION 1342.—  
15 Paragraph (1) of section 30C(e) is amended to read as  
16 follows:

17 “(1) REDUCTION IN BASIS.—For purposes of  
18 this subtitle, the basis of any property for which a  
19 credit is allowable under subsection (a) shall be re-  
20 duced by the amount of such credit so allowed (de-  
21 termined without regard to subsection (d)).”.

22 (c) EFFECTIVE DATE.—The amendments made by  
23 this section shall take effect as if included in the provision  
24 of the Energy Tax Incentives Act of 2005 to which it re-  
25 lates.

1 **SEC. 219. AMENDMENTS RELATING TO AMERICAN JOBS**  
2 **CREATION ACT OF 2004.**

3 (a) AMENDMENT RELATING TO SECTION 101.—Sub-  
4 section (d) of section 101 of the American Jobs Creation  
5 Act of 2004 is amended by adding at the end the following  
6 new paragraph:

7 “(3) COORDINATION WITH SECTION 199.—This  
8 subsection shall be applied without regard to any de-  
9 duction allowable under section 199.”.

10 (b) AMENDMENTS RELATING TO SECTION 102.—  
11 Paragraph (3) of section 199(b) is amended—

12 (1) by inserting “of a short taxable year or”  
13 after “in cases”, and

14 (2) by striking “AND DISPOSITIONS” and insert-  
15 ing “, DISPOSITIONS, AND SHORT TAXABLE YEARS”.

16 (c) CLERICAL AMENDMENT RELATING TO SECTION  
17 413.—Paragraph (7) of section 904(h) is amended by  
18 striking “as ordinary income under section 1246 or”.

19 (d) EFFECTIVE DATE.—The amendments made by  
20 this section shall take effect as if included in the provision  
21 of the American Jobs Creation Act of 2004 to which they  
22 relate.

23 **SEC. 220. OTHER CLERICAL CORRECTIONS.**

24 (a) Paragraph (8) of section 30B(h) is amended by  
25 striking “vehicle)., except that” and inserting “vehicle),  
26 except that”.

1 (b) Subparagraph (A) of section 38(c)(2) is amended  
2 by striking “credit credit” and inserting “credit”.

3 (c) Section 46 is amended by adding a comma at the  
4 end of paragraph (4).

5 (d) Subparagraph (E) of section 50(a)(2) is amended  
6 by inserting “, 48A(b)(3), 48B(b)(3), 48C(b)(2), or  
7 48D(b)(4)” after “in section 48(b)”.

8 (e) Clause (i) of section 54A(d)(2)(A) is amended by  
9 striking “100 percent or more” and inserting “100 per-  
10 cent”.

11 (f) Paragraph (2) of section 125(b) is amended by  
12 striking “statutory nontaxable benefits” each place it ap-  
13 pears and inserting “qualified benefits”.

14 (g) Paragraph (2) of section 125(h) is amended by  
15 striking “means, any” and inserting “means any”.

16 (h) Subparagraph (F) of section 163(h)(4) is amend-  
17 ed by striking “Veterans Administration or the Rural  
18 Housing Administration” and inserting “Department of  
19 Veterans Affairs or the Rural Housing Service”.

20 (i) Subsection (a) of section 249 is amended by strik-  
21 ing “1563(a)(1)” and inserting “1563(a)(1))”.

22 (j) Paragraphs (8) and (10) of section 280F(d) are  
23 each amended by striking “subsection (a)(2)” and insert-  
24 ing “subsection (a)(1)”.

1 (k) Clause (iii) of section 402A(c)(4)(E) is amended  
2 by striking “403(b)(7)(A)(i)” and inserting  
3 “403(b)(7)(A)(ii)”.

4 (l) Section 527 is amended—

5 (1) by striking “(2 U.S.C. 432(e))” in sub-  
6 section (h)(2)(A)(i) and inserting “(52 U.S.C.  
7 30102(e))”, and

8 (2) by striking “(2 U.S.C. 431 et seq.)” in sub-  
9 sections (i)(6) and (j)(5)(A) and inserting “(52  
10 U.S.C. 30101 et seq.)”.

11 (m) Subsection (b) of section 858 is amended by  
12 striking “857(b)(8)” and inserting “857(b)(9)”.

13 (n) Subparagraph (A) of section 1012(c)(2) is  
14 amended by striking “section 1012” and inserting “this  
15 section”.

16 (o) The heading for section 1394(f) is amended by  
17 striking “DESIGNATED UNDER SECTION 1391(g)”.

18 (p) Paragraphs (1) and (2)(A) of section 1394(f) are  
19 each amended by striking “a new empowerment zone facil-  
20 ity bond” and inserting “an empowerment zone facility  
21 bond”.

22 (q) Clause (i) of section 1400N(e)(3)(A) is amended  
23 by striking “section 42(d)(5)(C)(iii)” and inserting “sec-  
24 tion 42(d)(5)(B)(iii)”.

1 (r) Subsections (e)(3)(B) and (f)(7)(B) of section  
2 4943 are each amended by striking “January 1, 1970”  
3 and inserting “January 1, 1971”.

4 (s) Paragraph (2) of section 4982(f) is amended by  
5 adding a comma at the end.

6 (t) Paragraph (3) of section 6011(e) is amended by  
7 striking “shall require than” and inserting “shall require  
8 that”.

9 (u) Subsection (b) of section 6072 is amended by  
10 striking “6011(e)(2)” and inserting “6011(c)(2)”.

11 (v) Subsection (d) of section 6104 is amended by re-  
12 designating the second paragraph (6) (relating to dislo-  
13 sure of reports by the Internal Revenue Service) and third  
14 paragraph (6) (relating to application to nonexempt chari-  
15 table trusts and nonexempt private foundations) as para-  
16 graphs (7) and (8), respectively.

17 (w) Subsection (c) of section 6662A is amended by  
18 striking “section 6664(d)(2)(A)” and inserting “section  
19 6664(d)(3)(A)”.

20 (x) Subparagraph (FF) of section 6724(d)(2) is  
21 amended by striking “section 6050W(c)” and inserting  
22 “section 6050W(f)”.

23 (y) Section 7122 is amended by redesignating the  
24 second subsection (f) (relating to frivolous submissions,  
25 etc.) as subsection (g).

1 (z) Subsection (a) of section 9035 is amended by  
2 striking “section 320(b)(1)(A)” and inserting “section  
3 315(b)(1)(A)”.

4 (aa) Section 9802 is amended by redesignating the  
5 second subsection (f) (relating to genetic information of  
6 a fetus or embryo) as subsection (g).

7 (bb) Paragraph (3) of section 13(e) of the Worker,  
8 Homeownership, and Business Assistance Act of 2009 is  
9 amended by striking “subsection (d)” and inserting “sub-  
10 section (c)”.

11 **SEC. 221. DEADWOOD PROVISIONS.**

12 (a) IN GENERAL.—

13 (1) ADJUSTMENTS IN TAX TABLES SO THAT IN-  
14 FLATION WILL NOT RESULT IN TAX INCREASES.—

15 Paragraph (7) of section 1(f) is amended to read as  
16 follows:

17 “(7) SPECIAL RULE FOR CERTAIN BRACKETS.—

18 In prescribing tables under paragraph (1) which  
19 apply to taxable years beginning in a calendar year  
20 after 1994, the cost-of-living adjustment used in  
21 making adjustments to the dollar amounts at which  
22 the 36 percent rate bracket begins or at which the  
23 39.6 percent rate bracket begins shall be determined  
24 under paragraph (3) by substituting ‘1993’ for  
25 ‘1992’.”.

1 (2) CERTAIN PLUG-IN ELECTRIC VEHICLES.—

2 (A) Subpart B of part IV of subchapter A  
3 of chapter 1 is amended by striking section 30  
4 (and by striking the item relating to such sec-  
5 tion in the table of sections for such subpart).

6 (B) Subsection (b) of section 38, as  
7 amended by section 209(f)(1) of this Act, is  
8 amended by inserting “plus” at the end of  
9 paragraph (35), by striking paragraph (36),  
10 and by redesignating paragraph (37) as para-  
11 graph (36).

12 (C) Subclause (VI) of section  
13 48C(c)(1)(A)(i) is amended by striking “, quali-  
14 fied plug-in electric vehicles (as defined by sec-  
15 tion 30(d)),”.

16 (D) Section 1016(a) is amended by strik-  
17 ing paragraph (25).

18 (E) Section 6501(m) is amended by strik-  
19 ing “section 30(e)(6),”.

20 (3) EARNED INCOME CREDIT.—

21 (A) Paragraph (1) of section 32(b) is  
22 amended—

23 (i) by striking subparagraphs (B) and  
24 (C), and

1 (ii) by striking “(A) IN GENERAL.—  
2 In the case of taxable years beginning  
3 after 1995:” in subparagraph (A) and  
4 moving the table 2 ems to the left.

5 (B) Subparagraph (B) of section 32(b)(2)  
6 is amended by striking “increased by” and all  
7 that follows and inserting “increased by  
8 \$3,000.”.

9 (4) FIRST-TIME HOMEBUYER CREDIT.—Section  
10 6213(g)(2), as amended by section 214(a)(2) of this  
11 Act, is amended by striking subparagraph (P).

12 (5) MAKING WORK PAY CREDIT.—

13 (A) Subpart C of part IV of subchapter A  
14 of chapter 1 is amended by striking section 36A  
15 (and by striking the item relating to such sec-  
16 tion in the table of sections for such subpart).

17 (B) Subparagraph (A) of section  
18 6211(b)(4) is amended by striking “, 36A”.

19 (C) Section 6213(g)(2) is amended by  
20 striking subparagraph (N).

21 (6) GENERAL BUSINESS CREDITS.—Subsection  
22 (d) of section 38 is amended by striking paragraph  
23 (3).

1           (7) LOW-INCOME HOUSING CREDIT.—Subclause  
2           (I) of section 42(h)(3)(C)(ii) is amended by striking  
3           “(\$1.50 for 2001)”.

4           (8) MINIMUM TAX CREDIT.—

5           (A)(i) Section 53 is amended by striking  
6           subsections (e) and (f).

7           (ii) The amendment made by clause (i)  
8           striking subsection (f) of section 53 of the In-  
9           ternal Revenue Code of 1986 shall not be con-  
10          strued to allow any tax abated by reason of sec-  
11          tion 53(f)(1) of such Code (as in effect before  
12          such amendment) to be included in the amount  
13          determined under section 53(b)(1) of such  
14          Code.

15          (B) Paragraph (4) of section 6211(b)(4) is  
16          amended by striking “, 53(e)”.

17          (9) ADJUSTMENTS BASED ON ADJUSTED CUR-  
18          RENT EARNINGS.—Clause (ii) of section 56(g)(4)(F)  
19          is amended by striking “In the case of any taxable  
20          year beginning after December 31, 1992, clause”  
21          and inserting “Clause”.

22          (10) ITEMS OF TAX PREFERENCE; DEPLE-  
23          TION.—Paragraph (1) of section 57(a) is amended  
24          by striking “Effective with respect to taxable years

1 beginning after December 31, 1992, this” and in-  
2 serting “This”.

3 (11) INTANGIBLE DRILLING COSTS.—

4 (A) Clause (i) of section 57(a)(2)(E) is  
5 amended by striking “In the case of any taxable  
6 year beginning after December 31, 1992, this”  
7 and inserting “This”.

8 (B) Clause (ii) of section 57(a)(2)(E) is  
9 amended by striking “(30 percent in case of  
10 taxable years beginning in 1993)”.

11 (12) ENVIRONMENTAL TAX.—

12 (A) Subchapter A of chapter 1 is amended  
13 by striking part VII (and by striking the item  
14 relating to such part in the table of parts for  
15 such subchapter).

16 (B) Paragraph (2) of section 26(b) is  
17 amended by striking subparagraph (B).

18 (C) Section 30A(c) is amended by striking  
19 paragraph (1) and by redesignating paragraphs  
20 (2), (3), and (4) as paragraphs (1), (2), and  
21 (3), respectively.

22 (D) Subsection (a) of section 164 is  
23 amended by striking paragraph (5).

24 (E) Section 275(a) is amended by striking  
25 the last sentence.

1 (F) Section 882(a)(1) is amended by strik-  
2 ing “, 59A”.

3 (G) Section 936(a)(3) is amended by strik-  
4 ing subparagraph (A) and by redesignating sub-  
5 paragraphs (B), (C), and (D) as subparagraphs  
6 (A), (B), and (C), respectively.

7 (H) Section 1561(a) is amended—

8 (i) by inserting “and” at the end of  
9 paragraph (2), by striking “, and” at the  
10 end of paragraph (3) and inserting a pe-  
11 riod, and by striking paragraph (4), and

12 (ii) by striking “, the amount speci-  
13 fied in paragraph (3), and the amount  
14 specified in paragraph (4)” and inserting  
15 “and the amount specified in paragraph  
16 (3)”.

17 (I) Section 4611(e) is amended—

18 (i) by striking “section 59A, this sec-  
19 tion,” in paragraph (2)(B) and inserting  
20 “this section”, and

21 (ii) in paragraph (3)(A)—

22 (I) by striking “section 59A,”,  
23 and

24 (II) by striking the comma after  
25 “rate”).

1 (J) Section 6425(c)(1)(A) is amended by  
2 inserting “plus” at end of clause (i), by striking  
3 “plus” and inserting “over” at the end of  
4 clause (ii), and by striking clause (iii).

5 (K) Section 6655 is amended—

6 (i) in subsections (e)(2)(A)(i) and  
7 (e)(2)(B)(i), by striking “taxable income,  
8 alternative minimum taxable income, and  
9 modified alternative minimum taxable in-  
10 come” and inserting “taxable income and  
11 alternative minimum taxable income”,

12 (ii) in subsection (e)(2)(B), by strik-  
13 ing clause (iii), and

14 (iii) in subsection (g)(1)(A), by insert-  
15 ing “plus” at the end of clause (ii), by  
16 striking clause (iii), and by redesignating  
17 clause (iv) as clause (iii).

18 (L) Section 9507(b)(1) is amended by  
19 striking “59A.”.

20 (13) STANDARD DEDUCTION.—

21 (A) So much of paragraph (1) of section  
22 63(c) as follows “the sum of—” is amended to  
23 read as follows:

24 “(A) the basic standard deduction, and

25 “(B) the additional standard deduction.”.

1 (B) Subsection (c) of section 63 is amend-  
2 ed by striking paragraphs (7), (8), and (9).

3 (14) ANNUITIES; CERTAIN PROCEEDS OF EN-  
4 DOWMENT AND LIFE INSURANCE CONTRACTS.—Sec-  
5 tion 72 is amended—

6 (A) in subsection (c)(4), by striking “; ex-  
7 cept that if such date was before January 1,  
8 1954, then the annuity starting date is January  
9 1, 1954”, and

10 (B) in subsection (g)(3), by striking “Jan-  
11 uary 1, 1954, or” and “, whichever is later”.

12 (15) UNEMPLOYMENT COMPENSATION.—Sec-  
13 tion 85 is amended by striking subsection (c).

14 (16) ACCIDENT AND HEALTH PLANS.—Section  
15 105(f) is amended by striking “or (d)”.

16 (17) FLEXIBLE SPENDING ARRANGEMENTS.—  
17 Section 106(c)(1) is amended by striking “Effective  
18 on and after January 1, 1997, gross” and inserting  
19 “Gross”.

20 (18) CERTAIN COMBAT ZONE COMPENSATION  
21 OF MEMBERS OF THE ARMED FORCES.—Subsection  
22 (c) of section 112 is amended—

23 (A) by striking “(after June 24, 1950)” in  
24 paragraph (2), and

1 (B) by striking “such zone;” and all that  
2 follows in paragraph (3) and inserting “such  
3 zone.”.

4 (19) LEGAL SERVICE PLANS.—

5 (A) Part III of subchapter B of chapter 1  
6 is amended by striking section 120 (and by  
7 striking the item relating to such section in the  
8 table of sections for such subpart).

9 (B)(i) Section 414(n)(3)(C) is amended by  
10 striking “120,”.

11 (ii) Section 414(t)(2) is amended by strik-  
12 ing “120,”.

13 (iii) Section 501(c) is amended by striking  
14 paragraph (20).

15 (iv) Section 3121(a) is amended by strik-  
16 ing paragraph (17).

17 (v) Section 3231(e) is amended by striking  
18 paragraph (7).

19 (vi) Section 3306(b) is amended by strik-  
20 ing paragraph (12).

21 (vii) Section 6039D(d)(1) is amended by  
22 striking “120,”.

23 (viii) Section 209(a)(14) of the Social Se-  
24 curity Act is amended—

25 (I) by striking subparagraph (B), and

1 (II) by striking “(14)(A)” and insert-  
2 ing “(14)”.

3 (20) PRINCIPAL RESIDENCE.—Section  
4 121(b)(3) is amended—

5 (A) by striking subparagraph (B), and  
6 (B) in subparagraph (A), by striking “(A)  
7 IN GENERAL.—” and moving the text 2 ems to  
8 the left.

9 (21) CERTAIN REDUCED UNIFORMED SERVICES  
10 RETIREMENT PAY.—Section 122(b)(1) is amended  
11 by striking “after December 31, 1965,”.

12 (22) GREAT PLAINS CONSERVATION PRO-  
13 GRAM.—Section 126(a) is amended by striking para-  
14 graph (6) and by redesignating paragraphs (7), (8),  
15 (9), and (10) as paragraphs (6), (7), (8), and (9),  
16 respectively.

17 (23) TREBLE DAMAGE PAYMENTS UNDER THE  
18 ANTITRUST LAW.—Section 162(g) is amended by  
19 striking the last sentence.

20 (24) STATE LEGISLATORS’ TRAVEL EXPENSES  
21 AWAY FROM HOME.—Paragraph (4) of section  
22 162(h) is amended by striking “For taxable years  
23 beginning after December 31, 1980, this” and in-  
24 serting “This”.

25 (25) INTEREST.—

1 (A) Section 163 is amended—

2 (i) by striking paragraph (6) of sub-  
3 section (d), and

4 (ii) by striking paragraph (5) of sub-  
5 section (h).

6 (B) Section 56(b)(1)(C) is amended by  
7 striking clause (ii) and by redesignating clauses  
8 (iii), (iv), and (v) as clauses (ii), (iii), and (iv),  
9 respectively.

10 (26) QUALIFIED MOTOR VEHICLE TAXES.—Sec-  
11 tion 164, as amended by section 209(c) of this Act,  
12 is amended by striking subsections (a)(6) and (b)(6).

13 (27) DISASTER LOSSES.—

14 (A) Subsection (h) of section 165 is  
15 amended by striking paragraph (3) and by re-  
16 designating paragraphs (4) and (5) as para-  
17 graphs (3) and (4), respectively.

18 (B) Paragraph (3) of section 165(h), as so  
19 redesignated, is amended by striking “para-  
20 graphs (2) and (3)” and inserting “paragraph  
21 (2)”.

22 (C) Subsection (i) of section 165 is amend-  
23 ed—

24 (i) in paragraph (1)—

1 (I) by striking “(as defined by  
2 clause (ii) of subsection (h)(3)(C))”,  
3 and

4 (II) by striking “(as defined by  
5 clause (i) of such subsection)”,

6 (ii) by striking “(as defined by sub-  
7 section (h)(3)(C)(i)” in paragraph (4), and

8 (iii) by adding at the end the fol-  
9 lowing new paragraph:

10 “(5) **FEDERALLY DECLARED DISASTERS.**—For  
11 purposes of this subsection—

12 “(A) **IN GENERAL.**—The term ‘Federally  
13 declared disaster’ means any disaster subse-  
14 quently determined by the President of the  
15 United States to warrant assistance by the Fed-  
16 eral Government under the Robert T. Stafford  
17 Disaster Relief and Emergency Assistance Act.

18 “(B) **DISASTER AREA.**—The term ‘disaster  
19 area’ means the area so determined to warrant  
20 such assistance.”.

21 (D) Section 1033(h)(3) is amended by  
22 striking “section 165(h)(3)(C)” and inserting  
23 “section 165(i)(5)”.

24 (28) **CHARITABLE, ETC., CONTRIBUTIONS AND**  
25 **GIFTS.**—Section 170 is amended—

1 (A) by striking paragraph (3) of subsection  
2 (b),

3 (B) by striking paragraph (6) of sub-  
4 section (e), and

5 (C) by striking subsection (k).

6 (29) AMORTIZABLE BOND PREMIUM.—

7 (A) Subparagraph (B) of section 171(b)(1)  
8 is amended to read as follows:

9 “(B)(i) with reference to the amount pay-  
10 able on maturity (or if it results in a smaller  
11 amortizable bond premium attributable to the  
12 period before the call date, with reference to the  
13 amount payable on the earlier call date), in the  
14 case of a bond described in subsection (a)(1),  
15 and

16 “(ii) with reference to the amount payable  
17 on maturity or on an earlier call date, in the  
18 case of a bond described in subsection (a)(2).”.

19 (B) Paragraphs (2) and (3)(B) of section  
20 171(b) are each amended by striking “para-  
21 graph (1)(B)(ii)” and inserting “paragraph  
22 (1)(B)(i)”.

23 (30) NET OPERATING LOSS CARRYBACKS,  
24 CARRYOVERS, AND CARRYFORWARDS.—

1 (A) Section 172, as amended by section  
2 211(c)(1)(B) of this Act, is amended—

3 (i) by striking subparagraphs (D),  
4 (H), (I), and (J) of subsection (b)(1) and  
5 by redesignating subparagraphs (E), (F),  
6 and (G) as subparagraphs (D), (E), and  
7 (F), respectively, and

8 (ii) by striking subsections (g) and (j)  
9 and by redesignating subsections (h), (i),  
10 and (k) as subsections (g), (h), and (i), re-  
11 spectively.

12 (B) Each of the following provisions of sec-  
13 tion 172 (as amended by section 211(c)(1)(B)  
14 of this Act and as redesignated by subpara-  
15 graph (A)) are amended as follows:

16 (i) By striking “ending after August  
17 2, 1989” in subsection (b)(1)(D)(i)(II).

18 (ii) By striking “subsection (h)” in  
19 subsection (b)(1)(D)(ii) and inserting  
20 “subsection (g)”.

21 (iii) By striking “section  
22 165(h)(3)(C)(i)” in subsection  
23 (b)(1)(E)(ii)(II) and inserting “section  
24 165(i)(5)”.

1 (iv) By striking “subsection (i)” and  
2 all that follows in the last sentence of sub-  
3 section (b)(1)(E)(ii) and inserting “sub-  
4 section (h)).”.

5 (v) By striking “subsection (i)” in  
6 subsection (b)(1)(F) and inserting “sub-  
7 section (h)”.

8 (vi) By striking subparagraph (F) of  
9 paragraph (2) of subsection (g).

10 (vii) By striking “subsection  
11 (b)(1)(E)” each place it appears in sub-  
12 section (g)(4) and inserting “subsection  
13 (b)(1)(D)”.

14 (viii) By striking the last sentence of  
15 subsection (h)(1).

16 (ix) By striking “subsection  
17 (b)(1)(G)” each place it appears in sub-  
18 section (h)(3) and inserting “subsection  
19 (b)(1)(F)”.

20 (C) Subsection (d) of section 56 is amend-  
21 ed by striking paragraph (3).

22 (D) Paragraph (5) of section 382(l) is  
23 amended by striking subparagraph (F) and by  
24 redesignating subparagraphs (G) and (H) as  
25 subparagraphs (F) and (G), respectively.

1           (31) RESEARCH AND EXPERIMENTAL EXPENDI-  
2           TURES.—Subparagraph (A) of section 174(a)(2) is  
3           amended to read as follows:

4                   “(A) WITHOUT CONSENT.—A taxpayer  
5           may, without the consent of the Secretary,  
6           adopt the method provided in this subsection  
7           for his first taxable year for which expenditures  
8           described in paragraph (1) are paid or in-  
9           curred.”.

10          (32) AMORTIZATION OF CERTAIN RESEARCH  
11          AND EXPERIMENTAL EXPENDITURES.—Paragraph  
12          (2) of section 174(b) is amended by striking “begin-  
13          ning after December 31, 1953”.

14          (33) SOIL AND WATER CONSERVATION EXPEND-  
15          ITURES.—Paragraph (1) of section 175(d) is amend-  
16          ed to read as follows:

17                   “(1) WITHOUT CONSENT.—A taxpayer may,  
18          without the consent of the Secretary, adopt the  
19          method provided in this section for the taxpayer’s  
20          first taxable year for which expenditures described in  
21          subsection (a) are paid or incurred.”.

22          (34) CLEAN-FUEL VEHICLES.—

23                   (A) Part VI of subchapter A of chapter 1  
24          is amended by striking section 179A (and by

1 striking the item relating to such section in the  
2 table of sections for such part).

3 (B) Section 30C(e) is amended by adding  
4 at the end the following:

5 “(7) REFERENCE.—For purposes of this sec-  
6 tion, any reference to section 179A shall be treated  
7 as a reference to such section as in effect imme-  
8 diately before its repeal.”.

9 (C) Section 62(a) is amended by striking  
10 paragraph (14).

11 (D) Section 263(a)(1) is amended by strik-  
12 ing subparagraph (H).

13 (E) Section 280F(a)(1) is amended by  
14 striking subparagraph (C).

15 (F) Section 312(k)(3) is amended by strik-  
16 ing “179A,” each place it appears.

17 (G) Section 1016(a) is amended by strik-  
18 ing paragraph (24).

19 (H) Section 1245(a) is amended by strik-  
20 ing “179A,” each place it appears in para-  
21 graphs (2)(C) and (3)(C).

22 (35) QUALIFIED DISASTER EXPENSES.—Part  
23 VI of subchapter A of chapter 1 is amended by  
24 striking section 198A (and by striking the item re-

1       lating to such section in the table of sections for  
2       such part).

3           (36) ACTIVITIES NOT ENGAGED IN FOR PROF-  
4       IT.—Section 183(e)(1) is amended by striking the  
5       last sentence.

6           (37) DOMESTIC PRODUCTION ACTIVITIES.—

7           (A) Subsection (a) of section 199 is  
8       amended—

9           (i) by striking paragraph (2),

10          (ii) by redesignating subparagraphs  
11       (A) and (B) of paragraph (1) as para-  
12       graphs (1) and (2), respectively, and by  
13       moving paragraphs (1) and (2) (as so re-  
14       designated) 2 ems to the left, and

15          (iii) by striking “ALLOWANCE OF DE-  
16       DUCTION.—” and all that follows through  
17       “There shall be allowed” and inserting the  
18       following:

19       “(a) ALLOWANCE OF DEDUCTION.—There shall be  
20       allowed”.

21          (B) Paragraphs (2) and (6)(B) of section  
22       199(d) are each amended by striking  
23       “(a)(1)(B)” and inserting “(a)(2)”.

24          (38) RETIREMENT SAVINGS.—

1 (A) Subparagraph (A) of section 219(b)(5)  
2 is amended to read as follows:

3 “(A) IN GENERAL.—The deductible  
4 amount is \$5,000.”.

5 (B) Clause (ii) of section 219(b)(5)(B) is  
6 amended to read as follows:

7 “(ii) APPLICABLE AMOUNT.—For pur-  
8 poses of clause (i), the applicable amount  
9 is \$1,000.”.

10 (C) Paragraph (5) of section 219(b) is  
11 amended by striking subparagraph (C) and by  
12 redesignating subparagraph (D) as subpara-  
13 graph (C).

14 (D) Clause (ii) of section 219(g)(2)(A) is  
15 amended by striking “for a taxable year begin-  
16 ning after December 31, 2006”.

17 (E) Section 219(g)(3)(B) is amended by  
18 striking clauses (i) and (ii) and inserting the  
19 following:

20 “(i) In the case of a taxpayer filing a  
21 joint return, \$80,000.

22 “(ii) In the case of any other taxpayer  
23 (other than a married individual filing a  
24 separate return), \$50,000.”.

1 (F) Paragraph (8) of section 219(g) is  
2 amended by striking “the dollar amount in the  
3 last row of the table contained in paragraph  
4 (3)(B)(i), the dollar amount in the last row of  
5 the table contained in paragraph (3)(B)(ii), and  
6 the dollar amount contained in paragraph  
7 (7)(A),” and inserting “each of the dollar  
8 amounts in paragraphs (3)(B)(i), (3)(B)(ii),  
9 and (7)(A)”.

10 (39) REPORTS REGARDING QUALIFIED VOL-  
11 UNTARY RETIREMENT CONTRIBUTIONS.—

12 (A) Section 219 is amended by striking  
13 paragraph (4) of subsection (f) and subsection  
14 (h).

15 (B) Section 6652 is amended by striking  
16 subsection (g).

17 (40) INTEREST ON EDUCATION LOANS.—Para-  
18 graph (1) of section 221(b) is amended by striking  
19 “shall not exceed” and all that follows and inserting  
20 “shall not exceed \$2,500.”.

21 (41) DIVIDENDS RECEIVED ON CERTAIN PRE-  
22 FERRED STOCK; AND DIVIDENDS PAID ON CERTAIN  
23 PREFERRED STOCK OF PUBLIC UTILITIES.—

24 (A) Sections 244 and 247 are hereby re-  
25 pealed, and the table of sections for part VIII

1 of subchapter B of chapter 1 is amended by  
2 striking the items relating to sections 244 and  
3 247.

4 (B) Paragraph (5) of section 172(d) is  
5 amended to read as follows:

6 “(5) COMPUTATION OF DEDUCTION FOR DIVI-  
7 DENDS RECEIVED.—The deductions allowed by sec-  
8 tion 243 (relating to dividends received by corpora-  
9 tions) and 245 (relating to dividends received from  
10 certain foreign corporations) shall be computed with-  
11 out regard to section 246(b) (relating to limitation  
12 on aggregate amount of deductions).”.

13 (C) Paragraph (1) of section 243(c) is  
14 amended to read as follows:

15 “(1) IN GENERAL.—In the case of any dividend  
16 received from a 20-percent owned corporation, sub-  
17 section (a)(1) shall be applied by substituting ‘80  
18 percent’ for ‘70 percent’.”.

19 (D) Section 243(d) is amended by striking  
20 paragraph (4).

21 (E) Section 246 is amended—

22 (i) by striking “, 244,” in subsection

23 (a)(1),

24 (ii) in subsection (b)(1)—

1 (I) by striking “sections  
2 243(a)(1), 244(a),” and inserting  
3 “section 243(a)(1),”

4 (II) by striking “244(a),” the  
5 second place it appears, and

6 (III) by striking “subsection (a)  
7 or (b) of section 245, and 247,” and  
8 inserting “and subsection (a) or (b) of  
9 section 245,” and

10 (iii) by striking “, 244,” in subsection  
11 (c)(1).

12 (F) Section 246A is amended by striking  
13 “, 244,” both places it appears in subsections  
14 (a) and (e).

15 (G) Sections 263(g)(2)(B)(iii), 277(a),  
16 301(e)(2), 469(e)(4), 512(a)(3)(A), subpara-  
17 graphs (A), (C), and (D) of section 805(a)(4),  
18 805(b)(5), 812(e)(2)(A), 815(c)(2)(A)(iii),  
19 832(b)(5), 833(b)(3)(E), and 1059(b)(2)(B) are  
20 each amended by striking “, 244,” each place  
21 it appears.

22 (H) Section 1244(c)(2)(C) is amended by  
23 striking “244,”.

24 (I) Section 805(a)(4)(B) is amended by  
25 striking “, 244(a),” each place it appears.

1           (J) Section 810(e)(2)(B) is amended by  
2 striking “244 (relating to dividends on certain  
3 preferred stock of public utilities),”.

4           (K) The amendments made by this para-  
5 graph shall not apply to preferred stock issued  
6 before October 1, 1942 (determined in the same  
7 manner as under section 247 of the Internal  
8 Revenue Code of 1986 as in effect before its re-  
9 peal by such amendments).

10           (42) ORGANIZATION EXPENSES.—Section  
11 248(c) is amended by striking “beginning after De-  
12 cember 31, 1953,” and by striking the last sentence.

13           (43) BOND REPURCHASE PREMIUM.—Section  
14 249(b)(1) is amended by striking “, in the case of  
15 bonds or other evidences of indebtedness issued after  
16 February 28, 1913,”.

17           (44) AMOUNT OF GAIN WHERE LOSS PRE-  
18 VIOUSLY DISALLOWED.—Section 267(d) is amended  
19 by striking “(or by reason of section 24(b) of the In-  
20 ternal Revenue Code of 1939)” in paragraph (1), by  
21 striking “after December 31, 1953,” in paragraph  
22 (2), by striking the second sentence, and by striking  
23 “or by reason of section 118 of the Internal Revenue  
24 Code of 1939” in the last sentence.

1           (45) ACQUISITIONS MADE TO EVADE OR AVOID  
2 INCOME TAX.—Paragraphs (1) and (2) of section  
3 269(a) are each amended by striking “or acquired  
4 on or after October 8, 1940,”.

5           (46) MEALS AND ENTERTAINMENT.—Para-  
6 graph (3) of section 274(n) is amended—

7                   (A) by striking “(A) IN GENERAL.—”,

8                   (B) by striking “substituting ‘the applica-  
9 ble percentage’ for” and inserting “substituting  
10 ‘80 percent’ for”, and

11                   (C) by striking subparagraph (B).

12           (47) INTEREST ON INDEBTEDNESS INCURRED  
13 BY CORPORATIONS TO ACQUIRE STOCK OR ASSETS  
14 OF ANOTHER CORPORATION.—

15                   (A) Section 279 is amended—

16                           (i) by striking “after December 31,  
17 1967,” in subsection (a)(2),

18                           (ii) by striking “after October 9,  
19 1969,” in subsection (b),

20                           (iii) by striking “after October 9,  
21 1969, and” in subsection (d)(5), and

22                           (iv) by striking subsection (i) and re-  
23 designating subsection (j) as subsection (i).

24                   (B) The amendments made by this para-  
25 graph shall not—

1 (i) apply to obligations issued on or  
2 before October 9, 1969 (determined in the  
3 same manner as under section 279 of the  
4 Internal Revenue Code of 1986 as in effect  
5 before such amendments), and

6 (ii) be construed to require interest on  
7 obligations issued on or before December  
8 31, 1967, to be taken into account under  
9 section 279(a)(2) of such Code (as in ef-  
10 fect after such amendments).

11 (48) BANK HOLDING COMPANIES.—

12 (A) Clause (iii) of section 304(b)(3)(D) is  
13 repealed.

14 (B) The heading of subparagraph (D) of  
15 section 304(b)(3) is amended by striking “AND  
16 SPECIAL RULE”.

17 (49) EFFECT ON EARNINGS AND PROFITS.—

18 Subsection (d) of section 312 is amended by striking  
19 paragraph (2) and redesignating paragraph (3) as  
20 paragraph (2).

21 (50) DISQUALIFIED STOCK.—Paragraph (3) of  
22 section 355(d) is amended by striking “after Octo-  
23 ber 9, 1990, and” each place it appears.

24 (51) BASIS TO CORPORATIONS.—Section 362 is  
25 amended by striking “on or after June 22, 1954” in

1 subsection (a) and by striking “, on or after June  
2 22, 1954,” each place it appears in subsection (c).

3 (52) TEMPORARY WAIVER OF MINIMUM RE-  
4 QUIRED DISTRIBUTION.—Section 401(a)(9) is  
5 amended by striking subparagraph (H).

6 (53) INDIVIDUAL RETIREMENT ACCOUNTS.—  
7 Clause (i) of section 408(p)(2)(E) is amended to  
8 read as follows:

9 “(i) IN GENERAL.—For purposes of  
10 subparagraph (A)(ii), the applicable  
11 amount is \$10,000.”.

12 (54) TAX CREDIT EMPLOYEE STOCK OWNER-  
13 SHIP PLANS.—Section 409 is amended by striking  
14 subsection (q).

15 (55) CATCH-UP CONTRIBUTIONS.—Clauses (i)  
16 and (ii) of section 414(v)(2)(B) are amended to read  
17 as follows:

18 “(i) In the case of an applicable em-  
19 ployer plan other than a plan described in  
20 section 401(k)(11) or 408(p), the applica-  
21 ble dollar amount is \$5,000.

22 “(ii) In the case of an applicable em-  
23 ployer plan described in section 401(k)(11)  
24 or 408(p), the applicable dollar amount is  
25 \$2,500.”.

1           (56) EMPLOYEE STOCK PURCHASE PLANS.—  
2           Section 423(a) is amended by striking “after De-  
3           cember 31, 1963,”.

4           (57) PENSION RELATED TRANSITION RULES.—

5                   (A) Section 402(g)(1)(B) is amended by  
6                   striking “shall be” and all that follows and in-  
7                   serting “is \$15,000.”.

8                   (B)(i) Subparagraph (D) of section  
9                   417(e)(3) is amended—

10                           (I) by striking clauses (ii) and (iii),

11                           (II) by striking “if—” and all that  
12                           follows through “section 430(h)(2)(D)”  
13                           and inserting “if section 430(h)(2)(D)”,  
14                           and

15                           (III) by striking “described in such  
16                           section,” and inserting “described in such  
17                           section.”.

18                   (ii) Clause (iii) of section 205(g)(3)(B) of  
19                   the Employee Retirement Income Security Act  
20                   of 1974 (29 U.S.C. 1055(g)(3)(B)) is amend-  
21                   ed—

22                           (I) by striking subclauses (II) and  
23                           (III),

24                           (II) by striking “if—” and all that  
25                           follows through “section 303(h)(2)(D)”

1 and inserting “if section 303(h)(2)(D)”,  
2 and  
3 (III) by striking “described in such  
4 section,” and inserting “described in such  
5 section.”.

6 (C)(i) Paragraph (5) of section 430(e) is  
7 amended by striking subparagraph (B) and by  
8 striking “(A) IN GENERAL.—”.

9 (ii) Paragraph (5) of section 303(e) of the  
10 Employee Retirement Income Security Act of  
11 1974 (29 U.S.C. 1083(e)) is amended by strik-  
12 ing subparagraph (B) and by striking “(A) IN  
13 GENERAL.—”.

14 (D)(i) Paragraph (2) of section 430(h) is  
15 amended by striking subparagraph (G).

16 (ii) Paragraph (2) of section 303(h) of the  
17 Employee Retirement Income Security Act of  
18 1974 (29 U.S.C. 1083(h)) is amended by strik-  
19 ing subparagraph (G).

20 (E)(i) Paragraph (3) of section 436(j), as  
21 added by section 113(a)(1)(B) of the Pension  
22 Protection Act of 2006, is amended by striking  
23 subparagraphs (B) and (C) and by striking  
24 “(A) IN GENERAL.—”.

1 (ii) Subparagraph (C) of section 206(g)(9)  
2 of the Employee Retirement Income Security  
3 Act of 1974 (29 U.S.C. 1056(g)(9)) is amended  
4 by striking clauses (ii) and (iii) and by striking  
5 “(i) IN GENERAL.—”.

6 (F)(i) Section 436(j) is amended by strik-  
7 ing the paragraph (3) added by section  
8 203(a)(2) of the Preservation of Access to Care  
9 for Medicare Beneficiaries and Pension Relief  
10 Act of 2010.

11 (ii) Section 206(g)(9) of the Employee Re-  
12 tirement Income Security Act of 1974 (29  
13 U.S.C. 1056(g)(9)) is amended by striking sub-  
14 paragraph (D).

15 (G)(i) Section 436 is amended by striking  
16 subsection (m).

17 (ii) Section 206(g) of the Employee Retire-  
18 ment Income Security Act of 1974 (29 U.S.C.  
19 1056(g)) is amended by striking paragraph  
20 (11).

21 (H) Section 457(e)(15)(A) is amended by  
22 striking “shall be” and all that follows and in-  
23 serting “is \$15,000.”.

24 (58) LIMITATION ON DEDUCTIONS FOR CER-  
25 TAIN FARMING.—

1 (A) Section 464 is amended by striking  
2 “any farming syndicate (as defined in sub-  
3 section (c))” both places it appears in sub-  
4 sections (a) and (b) and inserting “any tax-  
5 payer to whom subsection (d) applies”.

6 (B)(i) Subsection (c) of section 464 is  
7 hereby moved to the end of section 461 and re-  
8 designated as subsection (j).

9 (ii) Such subsection (j) is amended—

10 (I) by striking “For purposes of this  
11 section” in paragraph (1) and inserting  
12 “For purposes of subsection (i)(4)”, and

13 (II) by adding at the end the fol-  
14 lowing new paragraphs:

15 “(3) FARMING.—For purposes of this sub-  
16 section, the term ‘farming’ has the meaning given to  
17 such term by section 464(e).

18 “(4) LIMITED ENTREPRENEUR.—For purposes  
19 of this subsection, the term ‘limited entrepreneur’  
20 means a person who—

21 “(A) has an interest in an enterprise other  
22 than as a limited partner, and

23 “(B) does not actively participate in the  
24 management of such enterprise.”.

1 (iii) Paragraph (4) of section 461(i) is  
2 amended by striking “section 464(c)” and  
3 inserting “subsection (j)”.

4 (C) Section 464 is amended—

5 (i) by striking subsections (e) and (g)  
6 and redesignating subsections (d) and (f)  
7 as subsections (c) and (d), respectively,  
8 and

9 (ii) by adding at the end the following  
10 new subsection:

11 “(e) FARMING.—For purposes of this section, the  
12 term ‘farming’ means the cultivation of land or the raising  
13 or harvesting of any agricultural or horticultural com-  
14 modity including the raising, shearing, feeding, caring for,  
15 training, and management of animals. For purposes of the  
16 preceding sentence, trees (other than trees bearing fruit  
17 or nuts) shall not be treated as an agricultural or horti-  
18 cultural commodity.”.

19 (D) Subsection (d) of section 464 of such  
20 Code (as redesignated by subparagraph (C)) is  
21 amended—

22 (i) by striking paragraph (1) and re-  
23 designating paragraphs (2), (3), and (4) as  
24 paragraphs (1), (2), and (3), respectively,  
25 and

1 (ii) by striking “SUBSECTIONS (A)  
2 AND (B) TO APPLY TO” in the heading.

3 (E) Subparagraph (A) of section 58(a)(2)  
4 is amended by striking “section 464(c)” and in-  
5 serting “section 461(j)”.

6 (59) DEDUCTIONS LIMITED TO AMOUNT AT  
7 RISK.—Subparagraph (A) of section 465(c)(3) is  
8 amended by striking “In the case of taxable years  
9 beginning after December 31, 1978, this” and in-  
10 serting “This”.

11 (60) PASSIVE ACTIVITY LOSSES AND CREDITS  
12 LIMITED.—

13 (A) Section 469 is amended by striking  
14 subsection (m).

15 (B) Subsection (b) of section 58 is amend-  
16 ed by adding “and” at the end of paragraph  
17 (1), by striking paragraph (2), and by redesignig-  
18 nating paragraph (3) as paragraph (2).

19 (61) ADJUSTMENTS REQUIRED BY CHANGES IN  
20 METHOD OF ACCOUNTING.—Section 481(b)(3) is  
21 amended by striking subparagraph (C).

22 (62) EXEMPTION FROM TAX ON CORPORATIONS,  
23 CERTAIN TRUSTS, ETC.—Section 501 is amended by  
24 striking subsection (s).

25 (63) REQUIREMENTS FOR EXEMPTION.—

1 (A) Section 503(a)(1) is amended to read  
2 as follows:

3 “(1) GENERAL RULE.—An organization de-  
4 scribed in paragraph (17) or (18) of section 501(c),  
5 or described in section 401(a) and referred to in sec-  
6 tion 4975(g) (2) or (3), shall not be exempt from  
7 taxation under section 501(a) if it has engaged in a  
8 prohibited transaction.”.

9 (B) Paragraph (2) of section 503(a) is  
10 amended by striking “described in section  
11 501(c)(17) or (18) or paragraph (a)(1)(B)” and  
12 inserting “described in paragraph (1)”.

13 (C) Subsection (c) of section 503 is  
14 amended by striking “described in section  
15 501(c)(17) or (18) or subsection (a)(1)(B)” and  
16 inserting “described in subsection (a)(1)”.

17 (64) ACCUMULATED TAXABLE INCOME.—Para-  
18 graph (1) of section 535(b) and paragraph (1) of  
19 section 545(b) are each amended by striking “sec-  
20 tion 531” and all that follows and inserting “section  
21 531 or the personal holding company tax imposed by  
22 section 541.”.

23 (65) DEFINITION OF PROPERTY.—Subsection  
24 (b) of section 614 is amended—

1 (A) by striking paragraphs (3)(C) and (5),  
2 and

3 (B) in paragraph (4), by striking “which-  
4 ever of the following years is later: The first  
5 taxable year beginning after December 31,  
6 1963, or”.

7 (66) AMOUNTS RECEIVED BY SURVIVING ANNU-  
8 ITANT UNDER JOINT AND SURVIVOR ANNUITY CON-  
9 TRACT.—Subparagraph (A) of section 691(d)(1) is  
10 amended by striking “after December 31, 1953,  
11 and”.

12 (67) INCOME TAXES OF MEMBERS OF ARMED  
13 FORCES ON DEATH.—Section 692(a)(1) is amended  
14 by striking “after June 24, 1950”.

15 (68) SPECIAL RULES FOR COMPUTING RE-  
16 SERVES.—Paragraph (7) of section 807(e) is amend-  
17 ed by striking subparagraph (B) and redesignating  
18 subparagraph (C) as subparagraph (B).

19 (69) INSURANCE COMPANY TAXABLE INCOME.—

20 (A) Section 832(e) is amended by striking  
21 “of taxable years beginning after December 31,  
22 1966,”.

23 (B) Section 832(e)(6) is amended by strik-  
24 ing “In the case of any taxable year beginning

1 after December 31, 1970, the” and inserting  
2 “The”.

3 (70) CAPITALIZATION OF CERTAIN POLICY AC-  
4 QUISSION EXPENSES.—Section 848 is amended by  
5 striking subsection (j).

6 (71) TAX ON NONRESIDENT ALIEN INDIVID-  
7 UALS.—Subparagraph (B) of section 871(a)(1) is  
8 amended to read as follows:

9 “(B) gains described in subsection (b) or  
10 (c) of section 631,”.

11 (72) LIMITATION ON CREDIT.—Paragraph (2)  
12 of section 904(d) is amended by striking subpara-  
13 graph (J).

14 (73) FOREIGN EARNED INCOME.—Clause (i) of  
15 section 911(b)(2)(D) is amended to read as follows:

16 “(i) IN GENERAL.—The exclusion  
17 amount for any calendar year is \$80,000.”.

18 (74) BASIS OF PROPERTY ACQUIRED FROM DE-  
19 CEDENT.—

20 (A) Section 1014(a)(2) is amended to read  
21 as follows:

22 “(2) in the case of an election under section  
23 2032, its value at the applicable valuation date pre-  
24 scribed by such section,”.

1 (B) Section 1014(b) is amended by strik-  
2 ing paragraphs (7) and (8).

3 (75) ADJUSTED BASIS.—Section 1016(a) is  
4 amended by striking paragraph (12).

5 (76) PROPERTY ON WHICH LESSEE HAS MADE  
6 IMPROVEMENTS.—Section 1019 is amended by strik-  
7 ing the last sentence.

8 (77) INVOLUNTARY CONVERSION.—Section  
9 1033 is amended by striking subsection (j) and by  
10 redesignating subsections (k) and (l) as subsections  
11 (j) and (k), respectively.

12 (78) PROPERTY ACQUIRED DURING AFFILI-  
13 ATION.—Section 1051 is hereby repealed, and the  
14 table of sections for part IV of subchapter O of  
15 chapter 1 is amended by striking the item relating  
16 to section 1051.

17 (79) CAPITAL GAINS AND LOSSES.—Section  
18 1222 is amended by striking the last sentence.

19 (80) HOLDING PERIOD OF PROPERTY.—

20 (A) Paragraph (1) of section 1223 is  
21 amended by striking “after March 1, 1954,”.

22 (B) Paragraph (4) of section 1223 is  
23 amended by striking “(or under so much of  
24 section 1052(c) as refers to section 113(a)(23)  
25 of the Internal Revenue Code of 1939)’”.

1 (C) Paragraphs (6) and (8) of section  
2 1223 are repealed.

3 (81) PROPERTY USED IN THE TRADE OR BUSI-  
4 NESS AND INVOLUNTARY CONVERSIONS.—Subpara-  
5 graph (A) of section 1231(c)(2) is amended by strik-  
6 ing “beginning after December 31, 1981”.

7 (82) SALE OR EXCHANGE OF PATENTS.—Sec-  
8 tion 1235 is amended—

9 (A) by striking subsection (c) and by re-  
10 designating subsections (d) and (e) as sub-  
11 sections (c) and (d), respectively, and

12 (B) by striking “subsection (d)” in sub-  
13 section (b)(2)(B) and inserting “subsection  
14 (c)”.

15 (83) DEALERS IN SECURITIES.—Subsection (b)  
16 of section 1236 is amended by striking “after No-  
17 vember 19, 1951,”.

18 (84) SALE OF PATENTS.—Subsection (a) of sec-  
19 tion 1249 is amended by striking “after December  
20 31, 1962,”.

21 (85) GAIN FROM DISPOSITION OF FARMLAND.—  
22 Paragraph (1) of section 1252(a) is amended—

23 (A) by striking “after December 31, 1969”  
24 the first place it appears, and

1 (B) by striking “after December 31,  
2 1969,” in subparagraph (A).

3 (86) TREATMENT OF AMOUNTS RECEIVED ON  
4 RETIREMENT OR SALE OR EXCHANGE OF DEBT IN-  
5 STRUMENTS.—Subsection (c) of section 1271 is  
6 amended to read as follows:

7 “(c) SPECIAL RULE FOR CERTAIN OBLIGATIONS  
8 WITH RESPECT TO WHICH ORIGINAL ISSUE DISCOUNT  
9 NOT CURRENTLY INCLUDIBLE.—

10 “(1) IN GENERAL.—On the sale or exchange of  
11 debt instruments issued by a government or political  
12 subdivision thereof after December 31, 1954, and  
13 before July 2, 1982, or by a corporation after De-  
14 cember 31, 1954, and on or before May 27, 1969,  
15 any gain realized which does not exceed—

16 “(A) an amount equal to the original issue  
17 discount, or

18 “(B) if at the time of original issue there  
19 was no intention to call the debt instrument be-  
20 fore maturity, an amount which bears the same  
21 ratio to the original issue discount as the num-  
22 ber of complete months that the debt instru-  
23 ment was held by the taxpayer bears to the  
24 number of complete months from the date of

1 original issue to the date of maturity, shall be  
2 considered as ordinary income.

3 “(2) SUBSECTION (a)(2)(A) NOT TO APPLY.—  
4 Subsection (a)(2)(A) shall not apply to any debt in-  
5 strument referred to in paragraph (1) of this sub-  
6 section.

7 “(3) CROSS REFERENCE.—For current inclu-  
8 sion of original issue discount, see section 1272.”.

9 (87) AMOUNT AND METHOD OF ADJUST-  
10 MENT.—Section 1314 is amended by striking sub-  
11 section (d) and by redesignating subsection (e) as  
12 subsection (d).

13 (88) ELECTION; REVOCATION; TERMINATION.—  
14 Clause (iii) of section 1362(d)(3)(A) is amended by  
15 striking “unless” and all that follows and inserting  
16 “unless the corporation was an S corporation for  
17 such taxable year.”.

18 (89) OLD-AGE, SURVIVORS, AND DISABILITY IN-  
19 SURANCE.—Subsection (a) of section 1401 is amend-  
20 ed by striking “the following percent” and all that  
21 follows and inserting “12.4 percent of the amount of  
22 the self-employment income for such taxable year.”.

23 (90) HOSPITAL INSURANCE.—Paragraph (1) of  
24 section 1401(b) is amended by striking: “the fol-  
25 lowing percent” and all that follows and inserting

1 “2.9 percent of the amount of the self-employment  
2 income for such taxable year.”.

3 (91) MINISTERS, MEMBERS OF RELIGIOUS OR-  
4 DERS, AND CHRISTIAN SCIENCE PRACTITIONERS.—  
5 Paragraph (3) of section 1402(e) is amended—

6 (A) by striking “whichever of the following  
7 dates is later: (A)”, and

8 (B) by striking “;or (B)’” and all that fol-  
9 lows and inserting a period.

10 (92) WITHHOLDING OF TAX ON NONRESIDENT  
11 ALIENS.—The first sentence of subsection (b) of sec-  
12 tion 1441 and the first sentence of paragraph (5) of  
13 section 1441(c) are each amended by striking “gains  
14 subject to tax” and all that follows through “Octo-  
15 ber 4, 1966” and inserting “and gains subject to tax  
16 under section 871(a)(1)(D)”.

17 (93) AFFILIATED GROUP DEFINED.—Subpara-  
18 graph (A) of section 1504(a)(3) is amended by strik-  
19 ing “for a taxable year which includes any period  
20 after December 31, 1984” in clause (i) and by strik-  
21 ing “in a taxable year beginning after December 31,  
22 1984” in clause (ii).

23 (94) DISALLOWANCE OF THE BENEFITS OF  
24 THE GRADUATED CORPORATE RATES AND ACCUMU-  
25 LATED EARNINGS CREDIT.—

1 (A) Subsection (a) of section 1551 is  
2 amended—

3 (i) by striking paragraph (1) and by  
4 redesignating paragraphs (2) and (3) as  
5 paragraphs (1) and (2), respectively, and

6 (ii) by striking “after June 12, 1963,”  
7 each place it appears.

8 (B) Section 1551(b) is amended—

9 (i) by striking “or (2)” in paragraph  
10 (1), and

11 (ii) by striking “(a)(3)” in paragraph  
12 (2) and inserting “(a)(2)”.

13 (95) CREDIT FOR STATE DEATH TAXES.—

14 (A)(i) Part II of subchapter A of chapter  
15 11 is amended by striking section 2011 (and by  
16 striking the item relating to such section in the  
17 table of sections for such subpart).

18 (ii) Section 2106(a)(4) is amended by  
19 striking “section 2011(a)” and inserting  
20 “2058(a)”.

21 (B)(i) Subchapter A of chapter 13 is  
22 amended by striking section 2604 (and by strik-  
23 ing the item relating to such section in the  
24 table of sections for such subpart).

1 (ii) Clause (ii) of section 164(b)(4)(A) is  
2 amended by inserting “(as in effect before its  
3 repeal)” after “section 2604”.

4 (iii) Section 2654(a)(1) is amended by  
5 striking “(computed without regard to section  
6 2604)”.

7 (96) GROSS ESTATE.—Subsection (c) of section  
8 2031 is amended by striking paragraph (3) and by  
9 amending paragraph (1)(B) to read as follows:

10 “(II) \$500,000.”.

11 (97)(A) Part IV of subchapter A of chapter 11  
12 is amended by striking section 2057 (and by striking  
13 the item relating to such section in the table of sec-  
14 tions for such subpart).

15 (B) Paragraph (10) of section 2031(c) is  
16 amended by inserting “(as in effect before its re-  
17 peal)” immediately before the period at the end  
18 thereof.

19 (98) PROPERTY WITHIN THE UNITED  
20 STATES.—Subsection (c) of section 2104 is amended  
21 by striking “With respect to estates of decedents  
22 dying after December 31, 1969, deposits” and in-  
23 serting “Deposits”.

24 (99) FICA TAXES.—

1           (A) Subsection (a) of section 3101 is  
2 amended by striking “the following percent-  
3 ages” and all that follows and inserting “6.2  
4 percent of the wages (as defined in section  
5 3121(a)) received by the individual with respect  
6 to employment (as defined in section 3121(b))”.

7           (B)(i) Subsection (a) of section 3111 is  
8 amended by striking “the following percent-  
9 ages” and all that follows and inserting “6.2  
10 percent of the wages (as defined in section  
11 3121(a)) paid by the employer with respect to  
12 employment (as defined in section 3121(b))”.

13           (ii) Subsection (b) of section 3111 is  
14 amended by striking “the following percent-  
15 ages” and all that follows and inserting “1.45  
16 percent of the wages (as defined in section  
17 3121(a)) paid by the employer with respect to  
18 employment (as defined in section 3121(b))”.

19           (C)(i) Section 3121(b) is amended by  
20 striking paragraph (17).

21           (ii) Section 210(a) of the Social Security  
22 Act is amended by striking paragraph (17).

23 (100) RAILROAD RETIREMENT.—

24           (A) Subsection (b) of section 3201 is  
25 amended to read as follows:

1           “(b) TIER 2 TAX.—In addition to other taxes, there  
2 is hereby imposed on the income of each employee a tax  
3 equal to the percentage determined under section 3241 for  
4 any calendar year of the compensation received during  
5 such calendar year by such employee for services rendered  
6 by such employee.”.

7                   (B) Subsection (b) of section 3211 is  
8                   amended to read as follows:

9           “(b) TIER 2 TAX.—In addition to other taxes, there  
10 is hereby imposed on the income of each employee rep-  
11 resentative a tax equal to the percentage determined under  
12 section 3241 for any calendar year of the compensation  
13 received during such calendar year by such employee rep-  
14 resentative for services rendered by such employee rep-  
15 resentative.”.

16                   (C) Subsection (b) of section 3221 is  
17                   amended to read as follows:

18           “(b) TIER 2 TAX.—In addition to other taxes, there  
19 is hereby imposed on every employer an excise tax, with  
20 respect to having individuals in his employ, equal to the  
21 percentage determined under section 3241 for any cal-  
22 endar year of the compensation paid during such calendar  
23 year by such employer for services rendered to such em-  
24 ployer.”.

1 (D) Subsection (b) of section 3231 is  
2 amended—

3 (i) by striking “compensation; except”  
4 and all that follows in the first sentence  
5 and inserting “compensation.”, and

6 (ii) by striking the second sentence.

7 (101) CREDITS AGAINST FEDERAL UNEMPLOY-  
8 MENT TAX.—

9 (A) Paragraph (4) of section 3302(f) is  
10 amended—

11 (i) by striking “subsection—” and all  
12 that follows through “(A) IN GENERAL.—  
13 The” and inserting “subsection, the”,

14 (ii) by striking subparagraph (B),

15 (iii) by redesignating clauses (i) and  
16 (ii) as subparagraphs (A) and (B), respec-  
17 tively, and

18 (iv) by moving the text of such sub-  
19 paragraphs (as so redesignated) 2 ems to  
20 the left.

21 (B) Paragraph (5) of section 3302(f) is  
22 amended by striking subparagraph (D) and by  
23 redesignating subparagraph (E) as subpara-  
24 graph (D).

1           (102) DOMESTIC SERVICE EMPLOYMENT  
2 TAXES.—Section 3510(b) is amended by striking  
3 paragraph (4).

4           (103) LUXURY PASSENGER AUTOMOBILES.—

5           (A) Chapter 31 is amended by striking  
6 subchapter A (and by striking the item relating  
7 to such subchapter in the table of subchapters  
8 for such chapter).

9           (B)(i) Section 4221 is amended—

10           (I) in subsections (a) and (d)(1), by  
11 striking “subchapter A or” and inserting  
12 “subchapter”,

13           (II) in subsection (a), by striking “In  
14 the case of taxes imposed by subchapter A  
15 of chapter 31, paragraphs (1), (3), (4),  
16 and (5) shall not apply.”, and

17           (III) in subsection (c), by striking  
18 “4001(c), 4001(d), or”.

19           (ii) Section 4222 is amended by striking  
20 “4001(c), 4001(d),”.

21           (iii) Section 4293 is amended by striking  
22 “subchapter A of chapter 31,”.

23           (104) TAX ON FUEL USED IN COMMERCIAL  
24 TRANSPORTATION ON INLAND WATERWAYS.—Section  
25 4042(b)(2)(A) is amended to read as follows:

1           “(A) The Inland Waterways Trust Fund  
2           financing rate is 20 cents per gallon.”.

3           (105) TRANSPORTATION BY AIR.—Section  
4           4261(e) is amended—

5           (A) in paragraph (1), by striking subpara-  
6           graph (C), and

7           (B) by striking paragraph (5).

8           (106) TAXES ON FAILURE TO DISTRIBUTE IN-  
9           COME.—

10           (A) Subsection (g) of section 4942 is  
11           amended by striking “For all taxable years be-  
12           ginning on or after January 1, 1975, subject”  
13           in paragraph (2)(A) and inserting “Subject”.

14           (B) Section 4942(i)(2) is amended by  
15           striking “beginning after December 31, 1969,  
16           and”.

17           (107) TAXES ON TAXABLE EXPENDITURES.—  
18           Section 4945(f) is amended by striking “(excluding  
19           therefrom any preceding taxable year which begins  
20           before January 1, 1970)”.

21           (108) DEFINITIONS AND SPECIAL RULES.—Sec-  
22           tion 4682(h) is amended—

23           (A) by striking paragraph (1) and redesignig-  
24           nating paragraphs (2), (3), and (4) as para-  
25           graphs (1), (2), and (3), respectively, and

1 (B) in paragraph (1) (as so redesignated)—  
2

3 (i) by striking the heading and inserting “IN GENERAL”, and  
4

5 (ii) by striking “after 1991” in subparagraph (C).  
6

7 (109) RETURNS.—Subsection (a) of section 6039D is amended by striking “beginning after December 31, 1984,”.  
8  
9

10 (110) INFORMATION RETURNS.—Subsection (c) of section 6060 is amended by striking “‘year’” and all that follows and inserting “year.”.  
11  
12

13 (111) COLLECTION.—Section 6302 is amended—  
14

15 (A) in subsection (e)(2), by striking “imposed by” and all that follows through “with respect to” and inserting “imposed by sections 4251, 4261, or 4271 with respect to”,  
16  
17  
18

19 (B) by striking the last sentence of subsection (f)(1), and  
20

21 (C) in subsection (h)—

22 (i) by striking paragraph (2) and redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively, and  
23  
24

1 (ii) by amending paragraph (3) (as so  
2 redesignated) to read as follows:

3 “(3) COORDINATION WITH OTHER ELECTRONIC  
4 FUND TRANSFER REQUIREMENTS.—Under regula-  
5 tions, any tax required to be paid by electronic fund  
6 transfer under section 5061(e) or 5703(b) shall be  
7 paid in such a manner as to ensure that the require-  
8 ments of the second sentence of paragraph (1)(A) of  
9 this subsection are satisfied.”.

10 (112) ABATEMENTS.—Section 6404(f) is  
11 amended by striking paragraph (3).

12 (113) 2008 RECOVERY REBATE FOR INDIVID-  
13 UALS.—

14 (A) Subchapter B of chapter 65 is amend-  
15 ed by striking section 6428 (and by striking the  
16 item relating to such section in the table of sec-  
17 tions for such subchapter).

18 (B) Subparagraph (A) of section  
19 6211(b)(4) is amended by striking “6428,”.

20 (C) Paragraph (2) of section 6213(g), as  
21 amended by section 214(a)(2) of this Act and  
22 paragraphs (4) and (5)(C) of this subsection, is  
23 amended by striking subparagraph (Q), by re-  
24 designating subparagraph (O) as subparagraph  
25 (N), by inserting “and” at the end of subpara-

1 graph (M), and by striking the comma at the  
2 end of subparagraph (N) (as so redesignated)  
3 and inserting a period.

4 (D) Paragraph (2) of section 1324(b) of  
5 title 31, United States Code, is amended by  
6 striking “6428, or 6431,” and inserting “or  
7 6431”.

8 (114) ADVANCE PAYMENT OF PORTION OF IN-  
9 CREASED CHILD CREDIT FOR 2003.—Subchapter B  
10 of chapter 65 is amended by striking section 6429  
11 (and by striking the item relating to such section in  
12 the table of sections for such subchapter).

13 (115) FAILURE BY CORPORATION TO PAY ESTI-  
14 MATED INCOME TAX.—Clause (i) of section  
15 6655(g)(4)(A) is amended by striking “(or the cor-  
16 responding provisions of prior law)”.

17 (116) RETIREMENT.—Section 7447(i)(3)(B)(ii)  
18 is amended by striking “at 4 percent per annum to  
19 December 31, 1947, and 3 percent per annum there-  
20 after”, and inserting “at 3 percent per annum”.

21 (117) ANNUITIES TO SURVIVING SPOUSES AND  
22 DEPENDENT CHILDREN OF JUDGES.—

23 (A) Paragraph (2) of section 7448(a) is  
24 amended—

1 (i) by striking “or under section 1106  
2 of the Internal Revenue Code of 1939”,  
3 and

4 (ii) by striking “or pursuant to sec-  
5 tion 1106(d) of the Internal Revenue Code  
6 of 1939”.

7 (B) Subsection (g) of section 7448 is  
8 amended by striking “or other than pursuant to  
9 section 1106 of the Internal Revenue Code of  
10 1939”.

11 (C) Subsections (g), (j)(1), and (j)(2) of  
12 section 7448 are each amended by striking “at  
13 4 percent per annum to December 31, 1947,  
14 and 3 percent per annum thereafter” and in-  
15 sserting “at 3 percent per annum”.

16 (118) MERCHANT MARINE CAPITAL CONSTRUC-  
17 TION FUNDS.—Paragraph (4) of section 7518(g) is  
18 amended by striking “any nonqualified withdrawal”  
19 and all that follows through “shall be determined”  
20 and inserting “any nonqualified withdrawal shall be  
21 determined”.

22 (119) VALUATION TABLES.—

23 (A) Subsection (c) of section 7520 is  
24 amended by striking paragraph (2) and redesign-  
25 ating paragraph (3) as paragraph (2).

1 (B) Paragraph (2) of section 7520(c) (as  
2 redesignated by subparagraph (A)) is amend-  
3 ed—

4 (i) by striking “Not later than Decem-  
5 ber 31, 1989, the” and inserting “The”,  
6 and

7 (ii) by striking “thereafter” in the last  
8 sentence thereof.

9 (120) DEFINITION OF EMPLOYEE.—Section  
10 7701(a)(20) is amended by striking “chapter 21”  
11 and all that follows and inserting “chapter 21.”.

12 (b) EFFECTIVE DATE.—

13 (1) GENERAL RULE.—Except as otherwise pro-  
14 vided in subsection (a) or paragraph (2) of this sub-  
15 section, the amendments made by this section shall  
16 take effect on the date of enactment of this Act.

17 (2) SAVINGS PROVISION.—If—

18 (A) any provision amended or repealed by  
19 the amendments made by this section applied  
20 to—

21 (i) any transaction occurring before  
22 the date of the enactment of this Act,

23 (ii) any property acquired before such  
24 date of enactment, or

1 (iii) any item of income, loss, deduc-  
2 tion, or credit taken into account before  
3 such date of enactment, and

4 (B) the treatment of such transaction,  
5 property, or item under such provision would  
6 (without regard to the amendments or repeals  
7 made by this section) affect the liability for tax  
8 for periods ending after date of enactment,  
9 nothing in the amendments or repeals made by  
10 this section shall be construed to affect the  
11 treatment of such transaction, property, or item  
12 for purposes of determining liability for tax for  
13 periods ending after such date of enactment.

14 **TITLE III—JOINT COMMITTEE**  
15 **ON TAXATION**

16 **SEC. 301. INCREASED REFUND AND CREDIT THRESHOLD**  
17 **FOR JOINT COMMITTEE ON TAXATION RE-**  
18 **VIEW OF C CORPORATION RETURN.**

19 (a) IN GENERAL.—Subsections (a) and (b) of section  
20 6405 are each amended by inserting “(\$5,000,000 in the  
21 case of a C corporation)” after “\$2,000,000”.

22 (b) EFFECTIVE DATE.—The amendment made by  
23 this section shall take effect on the date of the enactment  
24 of this Act, except that such amendment shall not apply  
25 with respect to any refund or credit with respect to a re-

1 port that has been made before such date under section  
2 6405 of the Internal Revenue Code of 1986.

### 3 **TITLE IV—BUDGETARY EFFECTS**

#### 4 **SEC. 401. BUDGETARY EFFECTS.**

5 (a) PAYGO SCORECARD.—The budgetary effects of  
6 this Act shall not be entered on either PAYGO scorecard  
7 maintained pursuant to section 4(d) of the Statutory Pay-  
8 As-You-Go Act of 2010.

9 (b) SENATE PAYGO SCORECARD.—The budgetary ef-  
10 fects of this Act shall not be entered on any PAYGO score-  
11 card maintained for purposes of section 201 of S. Con.  
12 Res. 21 (110th Congress).