

Suspend the Rules and Pass the Bill, H.R. 5863, With an Amendment

(The amendment strikes all after the enacting clause and inserts a new text)

118TH CONGRESS
2^D SESSION

H. R. 5863

To provide tax relief with respect to certain Federal disasters.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 2, 2023

Mr. STEUBE introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To provide tax relief with respect to certain Federal
disasters.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Disaster Tax
5 Relief Act of 2023”.

1 **SEC. 2. EXTENSION OF RULES FOR TREATMENT OF CER-**
2 **TAIN DISASTER-RELATED PERSONAL CAS-**
3 **UALTY LOSSES.**

4 For purposes of applying section 304(b) of the Tax-
5 payer Certainty and Disaster Tax Relief Act of 2020, sec-
6 tion 301 of such Act shall be applied by substituting “the
7 Federal Disaster Tax Relief Act of 2023” for “this Act”
8 each place it appears.

9 **SEC. 3. EXCLUSION FROM GROSS INCOME FOR COMPENSA-**
10 **TION FOR LOSSES OR DAMAGES RESULTING**
11 **FROM CERTAIN WILDFIRES.**

12 (a) **IN GENERAL.**—For purposes of the Internal Rev-
13 enue Code of 1986, gross income shall not include any
14 amount received by an individual as a qualified wildfire
15 relief payment.

16 (b) **QUALIFIED WILDFIRE RELIEF PAYMENT.**—For
17 purposes of this section—

18 (1) **IN GENERAL.**—The term “qualified wildfire
19 relief payment” means any amount received by or on
20 behalf of an individual as compensation for losses,
21 expenses, or damages (including compensation for
22 additional living expenses, lost wages (other than
23 compensation for lost wages paid by the employer
24 which would have otherwise paid such wages), per-
25 sonal injury, death, or emotional distress) incurred
26 as a result of a qualified wildfire disaster, but only

1 to the extent the losses, expenses, or damages com-
2 pensated by such payment are not compensated for
3 by insurance or otherwise.

4 (2) QUALIFIED WILDFIRE DISASTER.—The
5 term “qualified wildfire disaster” means any feder-
6 ally declared disaster (as defined in section
7 165(i)(5)(A) of the Internal Revenue Code of 1986)
8 declared, after December 31, 2014, as a result of
9 any forest or range fire.

10 (c) DENIAL OF DOUBLE BENEFIT.—Notwith-
11 standing any other provision of the Internal Revenue Code
12 of 1986—

13 (1) no deduction or credit shall be allowed (to
14 the person for whose benefit a qualified wildfire re-
15 lief payment is made) for, or by reason of, any ex-
16 penditure to the extent of the amount excluded
17 under this section with respect to such expenditure,
18 and

19 (2) no increase in the basis or adjusted basis of
20 any property shall result from any amount excluded
21 under this subsection with respect to such property.

22 (d) LIMITATION ON APPLICATION.—This section
23 shall only apply to qualified wildfire relief payments re-
24 ceived by the individual during taxable years beginning
25 after December 31, 2019, and before January 1, 2026.

1 (e) EXTENSION OF PERIOD OF LIMITATION.—In the
2 case of a claim for credit or refund which is properly allo-
3 cable to the exclusion which is described in subsection
4 (a)—

5 (1) the period of limitation prescribed in section
6 6511(a) of the Internal Revenue Code of 1986 for
7 the filing of such claim shall be treated as not expir-
8 ing earlier than the date that is 1 year after the
9 date of the enactment of this Act, and

10 (2) any limitation described in section
11 6511(b)(2) of such Code shall not apply.

12 **SEC. 4. EAST PALESTINE DISASTER RELIEF PAYMENTS.**

13 (a) DISASTER RELIEF PAYMENTS TO VICTIMS OF
14 EAST PALESTINE TRAIN DERAILMENT.—East Palestine
15 train derailment payments shall be treated as qualified
16 disaster relief payments for purposes of section 139(b) of
17 the Internal Revenue Code of 1986.

18 (b) EAST PALESTINE TRAIN DERAILMENT PAY-
19 MENTS.—For purposes of this section, the term “East
20 Palestine train derailment payment” means any amount
21 received by or on behalf of an individual as compensation
22 for loss, damages, expenses, loss in real property value,
23 closing costs with respect to real property (including real-
24 tor commissions), or inconvenience (including access to

1 real property) resulting from the East Palestine train de-
2 railment if such amount was provided by—

3 (1) a Federal, State, or local government agen-

4 cy,

5 (2) Norfolk Southern Railway, or

6 (3) any subsidiary, insurer, or agent of Norfolk

7 Southern Railway or any related person.

8 (c) TRAIN DERAILMENT.—For purposes of this sec-
9 tion, the term “East Palestine train derailment” means
10 the derailment of a train in East Palestine, Ohio, on Feb-
11 ruary 3, 2023.

12 (d) EFFECTIVE DATE.—This section shall apply to
13 amounts received on or after February 3, 2023.