

118TH CONGRESS  
1ST SESSION

# H. R. 5863

To provide tax relief with respect to certain Federal disasters.

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IN THE HOUSE OF REPRESENTATIVES

OCTOBER 2, 2023

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

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## 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”.

6 **SEC. 2. EXTENSION OF RULES FOR TREATMENT OF CER-**  
7 **TAIN DISASTER-RELATED PERSONAL CAS-**  
8 **UALTY LOSSES.**

9 For purposes of applying section 304(b) of the Tax-  
10 payer Certainty and Disaster Tax Relief Act of 2020, sec-  
11 tion 301 of such Act shall be applied by substituting “the

1 Federal Disaster Tax Relief Act of 2023” for “this Act”  
2 each place it appears.

3 **SEC. 3. EXCLUSION FROM GROSS INCOME FOR COMPENSA-**  
4 **TION FOR LOSSES OR DAMAGES RESULTING**  
5 **FROM CERTAIN WILDFIRES.**

6 (a) IN GENERAL.—For purposes of the Internal Rev-  
7 enue Code of 1986, gross income shall not include any  
8 amount received by an individual as a qualified wildfire  
9 relief payment.

10 (b) QUALIFIED WILDFIRE RELIEF PAYMENT.—For  
11 purposes of this section—

12 (1) IN GENERAL.—The term “qualified wildfire  
13 relief payment” means any amount received by or on  
14 behalf of an individual as compensation for expenses  
15 or losses incurred as a result of a qualified wildfire  
16 disaster, but only to the extent any expense or loss  
17 compensated by such payment is not compensated  
18 for by insurance or otherwise.

19 (2) QUALIFIED WILDFIRE DISASTER.—The  
20 term “qualified wildfire disaster” means any feder-  
21 ally declared disaster (as defined in section  
22 165(i)(5)(A) of the Internal Revenue Code of 1986)  
23 declared, after December 31, 2014, as a result any  
24 forest or range fire.

1 (c) DENIAL OF DOUBLE BENEFIT.—Notwith-  
2 standing any other provision of the Internal Revenue Code  
3 of 1986—

4 (1) no deduction or credit shall be allowed (to  
5 the person for whose benefit a qualified wildfire re-  
6 lief payment is made) for, or by reason of, any ex-  
7 penditure to the extent of the amount excluded  
8 under this section with respect to such expenditure,  
9 and

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

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

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

18 (a) DISASTER RELIEF PAYMENTS TO VICTIMS OF  
19 EAST PALESTINE TRAIN DERAILMENT.—East Palestine  
20 train derailment payments shall be treated as qualified  
21 disaster relief payments for purposes of section 139(b) of  
22 the Internal Revenue Code of 1986.

23 (b) EAST PALESTINE TRAIL DERAILMENT PAY-  
24 MENTS.—For purposes of this section, the term “East  
25 Palestine train derailment payment” means any amount

1 received by or on behalf of an individual as compensation  
2 for loss, damages, expenses, loss in real property value,  
3 closing costs with respect to real property (including real-  
4 tor commissions), or inconvenience (including access to  
5 real property) resulting from the East Palestine train de-  
6 railment if such amount was provided by—

7           (1) a Federal, State, or local government agen-  
8       cy,

9           (2) Norfolk Southern Railway, or

10          (3) any subsidiary, insurer, or agent of Norfolk  
11       Southern Railway or any related person.

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

16       (d) EFFECTIVE DATE.—This subsection shall apply  
17 to amounts received on or after February 3, 2023.

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