

Union Calendar No. 284

118TH CONGRESS
2D SESSION

H. R. 5863

[Report No. 118-348]

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

JANUARY 16, 2024

Additional sponsors: Mr. LAMALFA, Mr. THOMPSON of California, Mr. JOHNSON of Ohio, Mr. DIAZ-BALART, Mr. DONALDS, Ms. BROWNLEY, Ms. BONAMICI, Ms. OMAR, Mr. NEWHOUSE, Mr. MORAN, Mr. SCOTT FRANKLIN of Florida, Mr. BARR, Mrs. BICE, Mr. KELLY of Pennsylvania, Ms. TOKUDA, Mr. ROUZER, Mr. WALTZ, Ms. DAVIDS of Kansas, Mr. KILEY, Mr. BUCSHON, Mr. HARDER of California, Mr. COSTA, Ms. HAGEMAN, Ms. CARAVEO, Mr. NEGUSE, Mr. CASE, Mr. LIEU, Ms. PORTER, Mrs. MILLER of West Virginia, Mr. ARMSTRONG, Mr. RUTHERFORD, Mr. PFLUGER, Mr. COURTNEY, Mr. GOLDMAN of New York, and Ms. STANSBURY

JANUARY 16, 2024

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on October 2, 2023]

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*
12 *Federal Disaster Tax Relief Act of 2023” for “this Act” each*
13 *place it appears.*

14 **SEC. 3. EXCLUSION FROM GROSS INCOME FOR COMPENSA-**
15 **TION FOR LOSSES OR DAMAGES RESULTING**
16 **FROM CERTAIN WILDFIRES.**

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

21 *(b) QUALIFIED WILDFIRE RELIEF PAYMENT.—For*
22 *purposes of this section—*

23 *(1) IN GENERAL.—The term “qualified wildfire*
24 *relief payment” means any amount received by or on*
25 *behalf of an individual as compensation for losses, ex-*

1 *penses, or damages (including compensation for addi-*
2 *tional living expenses, lost wages (other than com-*
3 *ensation for lost wages paid by the employer which*
4 *would have otherwise paid such wages), personal in-*
5 *jury, death, or emotional distress) incurred as a re-*
6 *sult of a qualified wildfire disaster, but only to the*
7 *extent the losses, expenses, or damages compensated by*
8 *such payment are not compensated for by insurance*
9 *or otherwise.*

10 (2) *QUALIFIED WILDFIRE DISASTER.*—*The term*
11 *“qualified wildfire disaster” means any federally de-*
12 *clared disaster (as defined in section 165(i)(5)(A) of*
13 *the Internal Revenue Code of 1986) declared, after*
14 *December 31, 2014, as a result of any forest or range*
15 *fire.*

16 (c) *DENIAL OF DOUBLE BENEFIT.*—*Notwithstanding*
17 *any other provision of the Internal Revenue Code of 1986—*

18 (1) *no deduction or credit shall be allowed (to the*
19 *person for whose benefit a qualified wildfire relief*
20 *payment is made) for, or by reason of, any expendi-*
21 *ture to the extent of the amount excluded under this*
22 *section with respect to such expenditure, and*

23 (2) *no increase in the basis or adjusted basis of*
24 *any property shall result from any amount excluded*
25 *under this subsection with respect to such property.*

1 (d) *LIMITATION ON APPLICATION.*—*This section shall*
2 *only apply to qualified wildfire relief payments received by*
3 *the individual during taxable years beginning after Decem-*
4 *ber 31, 2019, and before January 1, 2026.*

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

6 (a) *DISASTER RELIEF PAYMENTS TO VICTIMS OF*
7 *EAST PALESTINE TRAIN DERAILMENT.*—*East Palestine*
8 *train derailment payments shall be treated as qualified dis-*
9 *aster relief payments for purposes of section 139(b) of the*
10 *Internal Revenue Code of 1986.*

11 (b) *EAST PALESTINE TRAIN DERAILMENT PAY-*
12 *MENTS.*—*For purposes of this section, the term “East Pal-*
13 *estine train derailment payment” means any amount re-*
14 *ceived by or on behalf of an individual as compensation*
15 *for loss, damages, expenses, loss in real property value, clos-*
16 *ing costs with respect to real property (including realtor*
17 *commissions), or inconvenience (including access to real*
18 *property) resulting from the East Palestine train derail-*
19 *ment if such amount was provided by—*

20 (1) *a Federal, State, or local government agency,*
21 (2) *Norfolk Southern Railway, or*
22 (3) *any subsidiary, insurer, or agent of Norfolk*
23 *Southern Railway or any related person.*

24 (c) *TRAIN DERAILMENT.*—*For purposes of this section,*
25 *the term “East Palestine train derailment” means the de-*

1 *railment of a train in East Palestine, Ohio, on February*
2 *3, 2023.*

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

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