

116TH CONGRESS
1ST SESSION

H. R. 1851

To amend the Internal Revenue Code of 1986 to allow certain Federally declared disaster areas to be designated as opportunity zones for purposes of economic development and recovery.

IN THE HOUSE OF REPRESENTATIVES

MARCH 21, 2019

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

A BILL

To amend the Internal Revenue Code of 1986 to allow certain Federally declared disaster areas to be designated as opportunity zones for purposes of economic development and recovery.

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 “Disaster Recovery and
5 Opportunity Act of 2019”.

1 **SEC. 2. TREATMENT AS OPPORTUNITY ZONES.**

2 (a) IN GENERAL.—Section 1400Z–1 of the Internal
3 Revenue Code of 1986 is amended by adding at the end
4 the following new subsection:

5 “(g) CERTAIN DISASTER ZONES.—

6 “(1) DESIGNATION.—With respect to a Feder-
7 ally declared disaster, the chief executive officer of
8 a State may designate under this paragraph not
9 more than 5 percent of the applicable disaster tracts
10 in such State with respect to such disaster.

11 “(2) NO EFFECT ON LIMITATION ON NUMBER
12 OF DESIGNATIONS.—An applicable disaster tract
13 designated under paragraph (1) shall not be taken
14 into account in determining the limitation under
15 subsection (d).

16 “(3) APPLICABLE DISASTER TRACT.—The term
17 ‘applicable disaster tract’ means, with respect to a
18 Federally declared disaster, a population census
19 tract in the disaster area related to such disaster.

20 “(4) FEDERALLY DECLARED DISASTER; DIS-
21 ASTER AREA.—In this subsection, the term ‘Feder-
22 ally declared disaster’ and the term ‘disaster area’
23 have the meaning given such terms in section 165(i).

24 “(5) APPLICABLE START DATE.—

25 “(A) QUALIFIED OPPORTUNITY FUND
26 BUSINESSES AND PROPERTY.—In the case of an

1 applicable disaster tract designated under para-
2 graph (1), subparagraphs (B)(i)(I), (C)(i), and
3 (D)(i)(I) of section 1400Z-2(d)(2) shall each be
4 applied by substituting ‘the applicable start
5 date’ for ‘December 31, 2017’.

6 “(B) EXTENSION OF DETERMINATION PE-
7 RIOD.—In the case of an applicable disaster
8 tract designated under paragraph (1), section
9 (c)(2)(B) shall be applied by substituting ‘the
10 applicable start date’ for ‘the date of the enact-
11 ment of the Tax Cuts and Jobs Act’.

12 “(C) APPLICABLE START DATE.—The term
13 ‘applicable start date’ means, with respect to a
14 disaster area, the earliest incident date specified
15 in the declaration to which such area relates.”.

16 (b) EFFECTIVE DATE.—The amendments made by
17 this section shall apply with respect to Federally declared
18 disasters declared after the date of the enactment of this
19 Act.

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