

118TH CONGRESS
1ST SESSION

H. R. 4970

To provide an exclusion from gross income for compensation for expenses and losses resulting from certain wildfires.

IN THE HOUSE OF REPRESENTATIVES

JULY 27, 2023

Mr. LAMALFA (for himself, Mr. THOMPSON of California, Ms. PORTER, Mr. PANETTA, Ms. BROWNLEY, Mr. KILEY, Mr. MCCLINTOCK, and Mr. NEWHOUSE) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide an exclusion from gross income for compensation for expenses and losses resulting from certain wildfires.

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 “Protect Innocent Vic-
5 tims Of Taxation After Fire Act”.

1 **SEC. 2. EXCLUSION FROM GROSS INCOME FOR COMPENSA-**
2 **TION FOR LOSSES OR DAMAGES RESULTING**
3 **FROM CERTAIN WILDFIRES.**

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

8 (b) **QUALIFIED WILDFIRE RELIEF PAYMENT.**—For
9 purposes of this section—

10 (1) **IN GENERAL.**—The term “qualified wildfire
11 relief payment” means any amount paid to or for
12 the benefit of an individual as compensation for ex-
13 penses or losses incurred as a result of a qualified
14 wildfire disaster, but only to the extent any expense
15 or loss compensated by such payment is not other-
16 wise compensated by insurance or otherwise.

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

23 (c) **DENIAL OF DOUBLE BENEFIT.**—Notwith-
24 standing any other provision of the Internal Revenue Code
25 of 1986, no deduction or credit shall be allowed (to the
26 person for whose benefit a qualified wildfire relief payment

1 is made) for, or by reason of, any expenditure to the extent
2 of the amount excluded under this section with respect to
3 such expenditure.

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

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