

116TH CONGRESS
2D SESSION

H. R. 6498

To establish special temporary rules relating to the charitable deduction for the donation of hand sanitizer by a distilled spirits operation, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2020

Ms. OMAR (for herself, Mr. YARMUTH, Ms. PINGREE, and Mr. KILMER) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To establish special temporary rules relating to the charitable deduction for the donation of hand sanitizer by a distilled spirits operation, and for other purposes.

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 “Sanitary Access For
5 Everyone Act of 2020” or the “SAFE Act of 2020”.

6 **SEC. 2. TEMPORARY INCREASE IN LIMITATION ON CERTAIN**
7 **QUALIFIED CONTRIBUTIONS.**

8 (a) **SUSPENSION OF CURRENT LIMITATION.**—Except
9 as otherwise provided in subsection (b), qualified contribu-

1 tions of hand sanitizer shall be disregarded in applying
2 subsections (b) and (d) of section 170 of the Internal Rev-
3 enue Code of 1986.

4 (b) APPLICATION OF INCREASED LIMITATION.—For
5 purposes of section 170 of the Internal Revenue Code of
6 1986—

7 (1) INDIVIDUALS.—In the case of an indi-
8 vidual—

9 (A) LIMITATION.—Any qualified contribu-
10 tion of hand sanitizer shall be allowed as a de-
11 duction only to the extent that the aggregate of
12 such contributions does not exceed the excess of
13 the taxpayer's contribution base (as defined in
14 subparagraph (H) of section 170(b)(1) of such
15 Code) over the amount of all other charitable
16 contributions allowed under section 170(b)(1)
17 of such Code.

18 (B) CARRYOVER.—If the aggregate
19 amount of qualified contributions of hand sani-
20 tizer made in the contribution year (within the
21 meaning of section 170(d)(1) of such Code) ex-
22 ceeds the limitation of clause (i), such excess
23 shall be added to the excess described in section
24 170(b)(1)(G)(ii).

1 (2) CORPORATIONS.—In the case of a corpora-
2 tion—

3 (A) LIMITATION.—Any qualified contribu-
4 tion of hand sanitizer shall be allowed as a de-
5 duction only to the extent that the aggregate of
6 such contributions does not exceed the excess of
7 the taxpayer’s taxable income (as determined
8 under paragraph (2) of section 170(b) of such
9 Code) over the amount of all other charitable
10 contributions allowed under such paragraph.

11 (B) CARRYOVER.—If the aggregate
12 amount of qualified contributions of hand sani-
13 tizer made in the contribution year (within the
14 meaning of section 170(d)(2) of such Code) ex-
15 ceeds the limitation of clause (i), such excess
16 shall be appropriately taken into account under
17 section 170(d)(2) subject to the limitations
18 thereof.

19 (c) QUALIFIED CONTRIBUTIONS OF HAND SANI-
20 TIZER.—

21 (1) IN GENERAL.—For purposes of this sub-
22 section, the term “qualified contribution of hand
23 sanitizer” means a contribution of property as de-
24 scribed in section 170(e)(3)(A) of such Code if—

1 (A) such property is hand sanitizer con-
2 tributed—

3 (i) by a distilled spirits operation, and

4 (ii) during the period beginning on
5 February 1, 2020, and ending December
6 31, 2020.

7 (2) SPECIAL RULES.—

8 (A) TREATMENT FOR CONTRIBUTIONS OF
9 HAND SANITIZER BY INDIVIDUALS AND COR-
10 PORATIONS.—In the case of a charitable con-
11 tribution of hand sanitizer, paragraph (3) of
12 section 170(e) of such Code shall be applied to
13 such contribution without regard to whether the
14 contribution is made by a C corporation.

15 (B) CONTRIBUTIONS OF HAND SANITIZER
16 TO FOR-PROFIT ENTITIES.—In the case of a
17 charitable contribution of hand sanitizer, dona-
18 tions to for-profit hospitals, nursing homes, sen-
19 ior care facilities, and businesses deemed essen-
20 tial by local, State, or Federal Governments will
21 be treated as qualified contributions under sec-
22 tion 170(e)(3) of such Code.

23 (C) DETERMINATION OF FAIR MARKET
24 VALUE.—In the case of any contribution of
25 hand sanitizer which cannot or will not be sold

1 by reason of being produced by the taxpayer ex-
2 clusively for the purposes of transferring the
3 hand sanitizer to an organization described in
4 section 170(e)(3)(A) of such Code, the fair
5 market value of such contribution shall be de-
6 termined—

7 (i) by taking into account the price at
8 which the same or substantially the same
9 items (as to both type and quality) are sold
10 by the taxpayer at the time of the con-
11 tribution (or, if not so sold at such time,
12 in the recent past), or, if produced solely
13 for donation, by taking into account the
14 price at which the same or substantially
15 the same items are sold on the open mar-
16 ket.

17 (3) DISTILLED SPIRITS OPERATION.—The term
18 “distilled spirits operation” has the meaning given
19 such term in section 5002(a)(2) of such Code.

20 (4) HAND SANITIZER.—For purposes of this
21 section, the term “hand sanitizer” means any anti-
22 septic rub manufactured in accordance with the fol-
23 lowing Food and Drug Administration regulations
24 and guidelines:

1 (A) “Safety and Effectiveness of Consumer
2 Antiseptic Rubs; Topical Antimicrobial Drug
3 Products for Over-the-Counter Human Use”,
4 published on April 12, 2019 (or any successor
5 regulation).

6 (B) “Policy for Temporary Compounding
7 of Certain Alcohol-Based Hand Sanitizer Prod-
8 ucts During the Public Health Emergency”,
9 published March 27, 2020 (or any successor
10 regulation).

11 (C) Any other policy of the Food and Drug
12 Administration authorizing the production of
13 hand sanitizer or antiseptic rub.

14 (d) REGULATIONS.—The Secretary of the Treasury
15 (or the Secretary’s delegate) shall prescribe such regula-
16 tions or other guidance as may be necessary to carry out
17 the purposes of this section.

18 (e) EFFECTIVE DATE.—This section shall apply to
19 qualified contributions of hand sanitizer made in taxable
20 years beginning after December 31, 2019, and before Jan-
21 uary 1, 2021.

○