

116TH CONGRESS
1ST SESSION

H. R. 2882

To amend the Internal Revenue Code of 1986 and the Small Business Act to reduce costs for certain businesses required to relocate from a Superfund site, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 21, 2019

Ms. VELÁZQUEZ introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 and the Small Business Act to reduce costs for certain businesses required to relocate from a Superfund site, 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 “Superfund Enhance-
5 ment Act of 2019”.

1 **SEC. 2. EXTENSION AND MODIFICATION OF SUPERFUND**
2 **EXCISE TAXES.**

3 (a) EXTENSION.—Subsection (e) of section 4611 of
4 the Internal Revenue Code of 1986 is amended to read
5 as follows:

6 “(e) APPLICATION OF HAZARDOUS SUBSTANCE
7 SUPERFUND FINANCING RATE.—The Hazardous Sub-
8 stance Superfund financing rate under this section shall
9 apply after December 31, 1986, and before January 1,
10 1996, and after the date that is 60 days after the date
11 of the enactment of the Superfund Enhancement Act of
12 2019.”.

13 (b) MODIFICATION OF HAZARDOUS SUBSTANCE
14 SUPERFUND FINANCING RATE.—

15 (1) IN GENERAL.—Section 4611(c)(2)(A) of
16 such Code is amended by striking “9.7 cents” and
17 inserting “15.8 cents”.

18 (2) INFLATION ADJUSTMENT.—Section 4611(c)
19 of such Code is amended by adding at the end the
20 following new paragraph:

21 “(3) ADJUSTMENT FOR INFLATION.—

22 “(A) IN GENERAL.—In the case of any
23 taxable year beginning after December 31,
24 2019, the amount under paragraph (2)(A) shall
25 be increased by an amount equal to—

26 “(i) such amount, multiplied by

1 “(ii) the cost-of-living adjustment de-
 2 termined under section 1(f)(3) for the cal-
 3 endar year in which such taxable year be-
 4 gins by substituting ‘calendar year 2018’
 5 for ‘calendar year 2016’ in subparagraph
 6 (A)(ii) thereof.

7 “(B) ROUNDING.—If any increase deter-
 8 mined under this paragraph is not a multiple of
 9 0.1 cents, such increase shall be rounded to the
 10 next lowest multiple of 0.1 cents.”.

11 (c) MODIFICATION OF RATE OF TAX ON CERTAIN
 12 CHEMICALS.—Section 4661(b) of the Internal Revenue
 13 Code of 1986 is amended to read as follows:

14 “(b) AMOUNT OF TAX.—

15 “(1) IN GENERAL.—The amount of tax imposed
 16 by subsection (a) shall be determined in accordance
 17 with the following table:

| “In the case of: | The tax is the following amount per ton: |
|-------------------------|---|
| Acetylene | \$11.00 |
| Benzene | 11.00 |
| Butane | 11.00 |
| Butylene | 11.00 |
| Butadiene | 11.00 |
| Ethylene | 11.00 |
| Methane | 7.77 |
| Napthalene | 11.00 |
| Propylene | 11.00 |
| Toluene | 11.00 |
| Xylene | 11.00 |
| Ammonia | 5.96 |
| Antimony | 10.05 |
| Antimony trioxide | 8.47 |
| Arsenic | 10.05 |

| “In the case of: | The tax is the following amount per ton: |
|----------------------------|---|
| Arsenic trioxide | 7.70 |
| Barium sulfide | 5.19 |
| Bromine | 10.05 |
| Cadmium | 10.05 |
| Chlorine | 6.10 |
| Chromium | 10.05 |
| Chromite | 3.43 |
| Potassium dichromate | 3.82 |
| Sodium dichromate | 4.22 |
| Cobalt | 10.05 |
| Cupric sulfate | 4.22 |
| Cupric oxide | 8.11 |
| Cuprous oxide | 8.96 |
| Hydrochloric acid | 0.65 |
| Hydrogen fluoride | 9.55 |
| Lead oxide | 9.35 |
| Mercury | 10.05 |
| Nickel | 10.05 |
| Phosphorus | 10.05 |
| Stannous chloride | 6.43 |
| Stannic chloride | 4.79 |
| Zinc chloride | 5.01 |
| Zinc sulfate | 4.29 |
| Potassium hydroxide | 0.50 |
| Sodium hydroxide | 0.63 |
| Sulfuric acid | 0.59 |
| Nitric acid | 0.54. |

1 “(2) ADJUSTMENT FOR INFLATION.—

2 “(A) IN GENERAL.—In the case of any
3 taxable year beginning after December 31,
4 2019, each of the dollar amounts in the table
5 in paragraph (1) shall be increased by an
6 amount equal to—

7 “(i) such amount, multiplied by

8 “(ii) the cost-of-living adjustment de-
9 termined under section 1(f)(3) for the cal-
10 endar year in which such taxable year be-
11 gins by substituting ‘calendar year 2018’

1 for ‘calendar year 2016’ in subparagraph
 2 (A)(ii) thereof.

3 “(B) ROUNDING.—If any increase deter-
 4 mined under this paragraph is not a multiple of
 5 \$0.01, such increase shall be rounded to the
 6 next lowest multiple of \$0.01.”.

7 (d) EFFECTIVE DATE.—The amendments made by
 8 this section shall apply to oil and petroleum products re-
 9 ceived or entered during calendar quarters beginning more
 10 than 60 days after the date of the enactment of this Act.

11 **SEC. 3. CLARIFICATION OF DEFINITION OF CRUDE OIL FOR**
 12 **EXCISE TAX PURPOSES.**

13 (a) DEFINITION OF CRUDE OIL.—Paragraph (1) of
 14 section 4612(a) of the Internal Revenue Code of 1986 is
 15 amended to read as follows:

16 “(1) CRUDE OIL.—The term ‘crude oil’ includes
 17 crude oil condensates, natural gasoline, any bitumen
 18 or bituminous mixture, any oil derived from a bitu-
 19 men or bituminous mixture (including oil derived
 20 from tar sands), and any oil derived from kerogen-
 21 bearing sources (including oil derived from oil
 22 shale).”.

23 (b) EFFECTIVE DATE.—The amendment made by
 24 this section shall apply to oil and petroleum products re-

1 ceived or entered during calendar quarters beginning more
 2 than 60 days after the date of the enactment of this Act.

3 **SEC. 4. DEDUCTION FOR EXPENSES IN CONNECTION WITH**
 4 **MOVING FROM A SITE LISTED ON NATIONAL**
 5 **PRIORITIES LIST.**

6 (a) IN GENERAL.—Part VI of subchapter B of chap-
 7 ter 1 of the Internal Revenue Code of 1986 is amended
 8 by inserting after section 198 the following new section:

9 **“SEC. 198A. EXPENSES IN CONNECTION WITH MOVING**
 10 **FROM A SITE LISTED ON NATIONAL PRIOR-**
 11 **ITIES LIST.**

12 “(a) IN GENERAL.—A qualified small business may
 13 elect to treat as an expense which is not chargeable to
 14 capital account, and deductible in the year in which paid
 15 or incurred, so much of the qualified environmental dis-
 16 aster moving expenses which are paid or incurred by the
 17 taxpayer for the taxable year as do not exceed \$10,000.

18 “(b) QUALIFIED SMALL BUSINESS.—For purposes of
 19 this section, the term ‘qualified small business’ means any
 20 person which is a small business concern (as defined under
 21 section 3 of the Small Business Act (15 U.S.C. 632)) at
 22 all times during the preceding taxable year.

23 “(c) QUALIFIED ENVIRONMENTAL DISASTER MOV-
 24 ING EXPENSE.—For purposes of this section, the term

1 ‘qualified environmental disaster moving expense’ means
2 any expenditure—

3 “(1) which is otherwise chargeable to capital ac-
4 count, and

5 “(2) which is paid or incurred in connection
6 with relocating a trade or business carried on in a
7 location which is situated on, or adjacent to, a site
8 which is on, or proposed for, the national priorities
9 list under section 105(a)(8)(B) of the Comprehen-
10 sive Environmental Response, Compensation, and
11 Liability Act of 1980.

12 “(d) SPECIAL RULES.—For purposes of this sec-
13 tion—

14 “(1) POTENTIALLY RESPONSIBLE PARTIES EX-
15 CLUDED.—No amount shall be taken into account
16 under subsection (a) by a person who under section
17 107(a) of the Comprehensive Environmental Re-
18 sponse, Compensation, and Liability Act of 1980 is
19 potentially liable with respect to the site described in
20 subsection (c)(2).

21 “(2) CONTROLLED GROUPS.—All members of
22 the same controlled group of corporations (within
23 the meaning of section 52(a)) and all persons under
24 common control (within the meaning of section

1 52(b)) shall be treated as 1 person for purposes of
2 this section.

3 “(3) PARTNERSHIPS AND S CORPORATIONS.—In
4 the case of a partnership, the \$10,000 limitation
5 under subsection (a) shall apply with respect to the
6 partnership and each partner. A similar rule shall
7 apply in the case of an S corporation and its share-
8 holders.

9 “(4) DENIAL OF DOUBLE BENEFIT.—In the
10 case of the amount of the deduction determined
11 under this section—

12 “(A) no deduction or credit shall be al-
13 lowed for such amount under any other provi-
14 sion of this chapter, and

15 “(B) no increase in the adjusted basis of
16 any property shall result from such amount.”.

17 (b) CLERICAL AMENDMENT.—The table of sections
18 for part VI of subchapter B of chapter 1 of such Code
19 is amended by inserting after the item relating to section
20 198 the following new item:

“Sec. 198A. Expenses in connection with moving from a Superfund site.”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to amounts paid or incurred in tax-
23 able years beginning after the date of the enactment of
24 this Act.

1 **SEC. 5. DISASTER LOANS TO SMALL BUSINESS CONCERNS**
2 **FOR RELOCATION FROM A SUPERFUND SITE.**

3 (a) ESTABLISHMENT.—The Administrator of the
4 Small Business Administration shall establish and carry
5 out a pilot program under which the Administrator shall
6 provide direct loans to an eligible person to assist such
7 eligible person in relocating the principal place of business
8 or primary place of residence of such eligible person, if
9 the principal place of business or primary place of resi-
10 dence is located in an area that is designated as a Super-
11 fund site on a date after—

12 (1) with respect to an eligible person that is a
13 small business concern, the establishment of the
14 principal place of business; and

15 (2) with respect to an eligible person that is an
16 individual, the establishment of a primary place of
17 residence.

18 (b) LOAN TERMS.—A loan made under the program
19 established under subsection (a) shall—

20 (1) be subject to the same limitations as a loan
21 described under section 7(b)(8) of the Small Busi-
22 ness Act (15 U.S.C. 636(b)(8)); and

23 (2) have a term of 5 years.

24 (c) ELIGIBILITY FOR ECONOMIC INJURY DISASTER
25 LOANS.—

1 (1) IN GENERAL.—The Administrator may
2 make a loan pursuant to section 7(b)(2) of the
3 Small Business Act (15 U.S.C. 636(b)(2)) to assist
4 an eligible person that is a small business concern
5 that has suffered substantial economic injury as a
6 result of the location of the eligible person in a
7 Superfund site.

8 (2) NO DUPLICATION OF BENEFITS.—An eligi-
9 ble person described in paragraph (1) may receive a
10 loan under subsection (a) and section 7(b)(2) of the
11 Small Business Act (15 U.S.C. 636(b)(2)).

12 (3) POTENTIALLY RESPONSIBLE PARTIES EX-
13 CLUDED.—No loan may be made to a person who
14 under section 107(a) of the Comprehensive Environ-
15 mental Response, Compensation, and Liability Act
16 of 1980 is potentially liable with respect to the
17 Superfund site.

18 (d) DEFINITIONS.—In this section:

19 (1) ELIGIBLE PERSON.—The term “eligible per-
20 son” means—

21 (A) a small business concern (as defined
22 under section 3 of the Small Business Act (15
23 U.S.C. 632)) for which the principal place of
24 business of the concern is required to relocate

1 because such concern is located on or near a
2 Superfund site; or

3 (B) an individual whose primary place of
4 residence is located on or adjacent to a Super-
5 fund site.

6 (2) SUBSTANTIAL ECONOMIC INJURY.—The
7 term “substantial economic injury” has the meaning
8 given under section 7(b)(3) of the Small Business
9 Act (15 U.S.C. 636(b)(3)).

10 (3) SUPERFUND SITE.—The term “Superfund
11 site” means a site that is included on the National
12 Priorities List developed by the President in accord-
13 ance with section 105(a)(8)(B) of the Comprehen-
14 sive Environmental Response, Compensation, and
15 Liability Act of 1980 (42 U.S.C. 9605(a)(8)(B)).

16 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
17 authorized to be appropriated to the Administrator
18 \$10,000,000 for fiscal years 2020 through 2024.

19 **SEC. 6. ELIGIBILITY FOR ECONOMIC INJURY LOANS.**

20 Section 7(b) of the Small Business Act (15 U.S.C.
21 636(b)) is amended—

22 (1) in paragraph (2), by inserting “to any eligi-
23 ble concern pursuant to paragraph (16), or”; and

24 (2) by inserting after paragraph (15) the fol-
25 lowing new paragraph:

1 “(16) ECONOMIC INJURY LOANS FOR ELIGIBLE
2 CONCERNS.—

3 “(A) IN GENERAL.—The Administrator
4 may make a loan under paragraph (2) to an eli-
5 gible concern regardless of whether a disaster
6 has occurred in the area in which the eligible
7 concern is located.

8 “(B) DEFINITIONS.—

9 “(i) ELIGIBLE CONCERN.—The term
10 ‘eligible concern’ means a small business
11 concern for which the principal place of
12 business of the concern is required to relo-
13 cate because such concern is located on or
14 near a Superfund site.

15 “(ii) SUPERFUND SITE.—The term
16 ‘Superfund site’ means a site that is in-
17 cluded on the National Priorities List de-
18 veloped by the President in accordance
19 with section 105(a)(8)(B) of the Com-
20 prehensive Environmental Response, Com-
21 pensation, and Liability Act of 1980 (42
22 U.S.C. 9605(a)(8)(B)).”.

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