

resolution (H. Res. 1491) providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered to be printed.

DISASTER TAX RELIEF ACT OF 2008

Mr. RANGEL. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 7006) to amend the Internal Revenue Code of 1986 to provide disaster assistance relief.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 7006

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE, ETC.

(a) IN GENERAL.—This Act may be cited as the “Disaster Tax Relief Act of 2008”.

(b) REFERENCE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

- Sec. 1. Short title, etc.
- Sec. 2. Losses attributable to federally declared disasters.
- Sec. 3. Expensing of qualified disaster expenses.
- Sec. 4. Net operating losses attributable to federally declared disasters.
- Sec. 5. Waiver of certain mortgage revenue bond requirements following federally declared disasters.
- Sec. 6. Determination of standard mileage rate for charitable contributions deduction.
- Sec. 7. Additional low income housing allocations.
- Sec. 8. Private activity disaster bonds.
- Sec. 9. Waiver of limitation on charitable contributions for disaster relief.

SEC. 2. LOSSES ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS.

(a) WAIVER OF ADJUSTED GROSS INCOME LIMITATION.—

(1) IN GENERAL.—Subsection (h) of section 165 is amended by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively, and by inserting after paragraph (2) the following new paragraph:

“(3) SPECIAL RULE FOR LOSSES IN FEDERALLY DECLARED DISASTERS.—

“(A) IN GENERAL.—If an individual has a net disaster loss for any taxable year, the amount determined under paragraph (2)(A)(ii) shall be the sum of—

“(i) such net disaster loss, and

“(ii) so much of the excess referred to in the matter preceding clause (i) of paragraph (2)(A) (reduced by the amount in clause (i) of this subparagraph) as exceeds 10 percent of the adjusted gross income of the individual.

“(B) NET DISASTER LOSS.—For purposes of subparagraph (A), the term ‘net disaster loss’ means the excess of—

“(i) the personal casualty losses—

“(I) attributable to a federally declared disaster occurring after December 31, 2007, and before January 1, 2012, and

“(II) occurring in a disaster area, over

“(ii) personal casualty gains.

“(C) FEDERALLY DECLARED DISASTER.—For purposes of this paragraph—

“(i) FEDERALLY DECLARED DISASTER.—The term ‘federally declared disaster’ means any

disaster subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

“(ii) DISASTER AREA.—The term ‘disaster area’ means the area so determined to warrant such assistance.”.

(2) CONFORMING AMENDMENTS.—

(A) Section 165(h)(4)(B) (as so redesignated) is amended by striking “paragraph (2)” and inserting “paragraphs (2) and (3)”.

(B) Section 165(i)(1) is amended by striking “loss” and all that follows through “Act” and inserting “loss occurring in a disaster area (as defined by clause (ii) of subsection (h)(3)(C)) and attributable to a federally declared disaster (as defined by clause (i) of such subsection)”.

(C) Section 165(i)(4) is amended by striking “Presidentially declared disaster (as defined by section 1033(h)(3))” and inserting “federally declared disaster (as defined by subsection (h)(3)(C)(i))”.

(D)(i) So much of subsection (h) of section 1033 as precedes subparagraph (A) of paragraph (1) thereof is amended to read as follows:

“(h) SPECIAL RULES FOR PROPERTY DAMAGED BY FEDERALLY DECLARED DISASTERS.—

“(1) PRINCIPAL RESIDENCES.—If the taxpayer’s principal residence or any of its contents is located in a disaster area and is compulsorily or involuntarily converted as a result of a federally declared disaster—

(ii) Paragraph (2) of section 1033(h) is amended by striking “investment” and all that follows through “disaster” and inserting “investment is located in a disaster area and is compulsorily or involuntarily converted as a result of a federally declared disaster”.

(iii) Paragraph (3) of section 1033(h) is amended to read as follows:

“(3) FEDERALLY DECLARED DISASTER; DISASTER AREA.—The terms ‘federally declared disaster’ and ‘disaster area’ shall have the respective meaning given such terms by section 165(h)(3)(C).”.

(iv) Section 139(c)(2) is amended to read as follows:

“(2) federally declared disaster (as defined by section 165(h)(3)(C)(i)).”.

(v) Subclause (II) of section 172(b)(1)(F)(ii) is amended by striking “Presidentially declared disasters (as defined in section 1033(h)(3))” and inserting “federally declared disasters (as defined by section 165(h)(3)(C)(i))”.

(vi) Subclause (III) of section 172(b)(1)(F)(ii) is amended by striking “Presidentially declared disasters” and inserting “federally declared disasters”.

(vii) Subsection (a) of section 7508A is amended by striking “Presidentially declared disaster (as defined in section 1033(h)(3))” and inserting “federally declared disaster (as defined by section 165(h)(3)(C)(i))”.

(b) INCREASE IN STANDARD DEDUCTION BY DISASTER CASUALTY LOSS.—

(1) IN GENERAL.—Paragraph (1) of section 63(c) is amended by striking “and” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “, and”, and by adding at the end the following new subparagraph:

“(D) the disaster loss deduction.”.

(2) DISASTER LOSS DEDUCTION.—Subsection (c) of section 63 is amended by adding at the end the following new paragraph:

“(8) DISASTER LOSS DEDUCTION.—For the purposes of paragraph (1), the term ‘disaster loss deduction’ means the net disaster loss (as defined in section 165(h)(3)(B)).”.

(3) ALLOWANCE IN COMPUTING ALTERNATIVE MINIMUM TAXABLE INCOME.—Subparagraph (E) of section 56(b)(1) is amended by adding at

the end the following new sentence: “The preceding sentence shall not apply to so much of the standard deduction as is determined under section 63(c)(1)(D).”.

(c) INCREASE IN LIMITATION ON INDIVIDUAL LOSS PER CASUALTY.—Paragraph (1) of section 165(h) is amended by striking “\$100” and inserting “\$500 (\$100 for taxable years beginning after December 31, 2011)”.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to—

(A) taxable years beginning after December 31, 2007, and

(B) the taxpayer’s last taxable year beginning before January 1, 2008, solely for purposes of determining the amount allowable as a deduction with respect to any net disaster loss (as defined in section 165(h)(3)(B) of the Internal Revenue Code of 1986) for such year by reason of an election under section 165(i) of such Code.

(2) INCREASE IN LIMITATION ON INDIVIDUAL LOSS PER CASUALTY.—The amendment made by subsection (c) shall apply to taxable years beginning after December 31, 2008.

SEC. 3. EXPENSING OF QUALIFIED DISASTER EXPENSES.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by inserting after section 198 the following new section:

“SEC. 198A. EXPENSING OF QUALIFIED DISASTER EXPENSES.

“(a) IN GENERAL.—A taxpayer may elect to treat any qualified disaster expenses which are paid or incurred by the taxpayer as an expense which is not chargeable to capital account. Any expense which is so treated shall be allowed as a deduction for the taxable year in which it is paid or incurred.

“(b) QUALIFIED DISASTER EXPENSE.—For purposes of this section, the term ‘qualified disaster expense’ means any expenditure—

“(1) which is paid or incurred in connection with a trade or business or with business-related property,

“(2) which is—

“(A) for the abatement or control of hazardous substances that were released on account of a federally declared disaster,

“(B) for the removal of debris from, or the demolition of structures on, real property which is business-related property damaged or destroyed as a result of a federally declared disaster, or

“(C) for the repair of business-related property damaged as a result of a federally declared disaster, and

“(3) is otherwise chargeable to capital account.

“(c) OTHER DEFINITIONS.—For purposes of this section—

“(1) BUSINESS-RELATED PROPERTY.—The term ‘business-related property’ means property—

“(A) held by the taxpayer for use in a trade or business or for the production of income, or

“(B) described in section 1221(a)(1) in the hands of the taxpayer.

“(2) FEDERALLY DECLARED DISASTER.—The term ‘federally declared disaster’ has the meaning given such term by section 165(h)(3)(C)(i), except that such term shall not include any disaster occurring before January 1, 2008, or after December 31, 2011.

“(d) DEDUCTION RECAPTURED AS ORDINARY INCOME ON SALE, ETC.—Solely for purposes of section 1245, in the case of property to which a qualified disaster expense would have been capitalized but for this section—

“(1) the deduction allowed by this section for such expense shall be treated as a deduction for depreciation, and

“(2) such property (if not otherwise section 1245 property) shall be treated as section 1245

property solely for purposes of applying section 1245 to such deduction.

“(e) **COORDINATION WITH OTHER PROVISIONS.**—Sections 198, 280B, and 468 shall not apply to amounts which are treated as expenses under this section.

“(f) **REGULATIONS.**—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.”.

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

“Sec. 198A. Expensing of Qualified Disaster Expenses.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2007.

SEC. 4. NET OPERATING LOSSES ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS.

(a) **IN GENERAL.**—Paragraph (1) of section 172(b) is amended by adding at the end the following new subparagraph:

“(J) **CERTAIN LOSSES ATTRIBUTABLE FEDERALLY DECLARED DISASTERS.**—In the case of a taxpayer who has a qualified disaster loss (as defined in subsection (j)), such loss shall be a net operating loss carryback to each of the 5 taxable years preceding the taxable year of such loss.”.

(b) **QUALIFIED DISASTER LOSS.**—Section 172 is amended by redesignating subsections (j) and (k) as subsections (k) and (l), respectively, and by inserting after subsection (i) the following new subsection:

“(j) **RULES RELATING TO QUALIFIED DISASTER LOSSES.**—For purposes of this section—

“(1) **IN GENERAL.**—The term ‘qualified disaster loss’ means the lesser of—

“(A) the sum of—

“(i) the losses allowable under section 165 for the taxable year—

“(I) attributable to a federally declared disaster (as defined in section 165(h)(3)(C)(i)) occurring after December 31, 2007, and before January 1, 2012, and

“(II) occurring in a disaster area (as defined in section 165(h)(3)(C)(ii)), and

“(ii) the deduction for the taxable year for qualified disaster expenses which is allowable under section 198A(a) or which would be so allowable if not otherwise treated as an expense, or

“(B) the net operating loss for such taxable year.

“(2) **COORDINATION WITH SUBSECTION (b)(2).**—For purposes of applying subsection (b)(2), a qualified disaster loss for any taxable year shall be treated in a manner similar to the manner in which a specified liability loss is treated.

“(3) **ELECTION.**—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(J) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(J). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer’s return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.”.

(c) **LOSS DEDUCTION ALLOWED IN COMPUTING ALTERNATIVE MINIMUM TAXABLE INCOME.**—Subsection (d) of section 56 is amended by adding at the end the following new paragraph:

“(3) **NET OPERATING LOSS ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS.**—In the case of a taxpayer which has a qualified disaster loss (as defined by section 172(b)(1)(J)) for

the taxable year, paragraph (1) shall be applied by increasing the amount determined under subparagraph (A)(ii)(I) thereof by the sum of the carrybacks and carryovers of such loss.”.

(d) **CONFORMING AMENDMENTS.**—

(1) Clause (ii) of section 172(b)(1)(F) is amended by inserting “or qualified disaster loss (as defined in subsection (j))” before the period at the end of the last sentence.

(2) Paragraph (1) of section 172(i) is amended by adding at the end the following new flush sentence:

“Such term shall not include any qualified disaster loss (as defined in subsection (j)).”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to net operating losses for taxable years beginning after December 31, 2007.

SEC. 5. WAIVER OF CERTAIN MORTGAGE REVENUE BOND REQUIREMENTS FOLLOWING FEDERALLY DECLARED DISASTERS.

(a) **IN GENERAL.**—Paragraph (11) of section 143(k) is amended to read as follows:

“(11) **SPECIAL RULES FOR FEDERALLY DECLARED DISASTERS.**—

“(A) **PRINCIPAL RESIDENCE DESTROYED.**—If the principal residence (within the meaning of section 121) of a taxpayer is—

“(i) rendered unsafe for use as a residence by reason of a federally declared disaster, or

“(ii) demolished or relocated by reason of an order of the government of a State or political subdivision thereof on account of a federally declared disaster, then for the 2-year period beginning on the date of the disaster declaration, subsection (d)(1) shall not apply with respect to such taxpayer and subsection (e) shall be applied by substituting ‘110’ for ‘90’ in paragraph (1) thereof.

“(B) **PRINCIPAL RESIDENCE DAMAGED.**—

“(i) **IN GENERAL.**—If the principal residence (within the meaning of section 121) of a taxpayer resulting from a federally declared disaster, was damaged, any owner-financing provided in connection with the repair or reconstruction of such residence shall be treated as a qualified rehabilitation loan.

“(ii) **LIMITATION.**—The aggregate owner-financing to which clause (i) applies shall not exceed the lesser of—

“(I) the cost of such repair or reconstruction, or

“(II) \$150,000.

“(C) **FEDERALLY DECLARED DISASTER.**—For purposes of this paragraph, the term ‘federally declared disaster’ has the meaning given such term by section 165(h)(3)(C)(i), except that such term shall not include any disaster occurring before January 1, 2008, or after December 31, 2011.”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act.

SEC. 6. DETERMINATION OF STANDARD MILEAGE RATE FOR CHARITABLE CONTRIBUTIONS DEDUCTION.

(a) **IN GENERAL.**—Subsection (i) of section 170 (relating to standard mileage rate for use of passenger automobile) is amended by adding at the end the following new sentence:

“In the case of the use of a passenger automobile after the date of the enactment of this sentence and before January 1, 2012, the standard mileage rate shall be the rate determined by the Secretary, which rate shall not be less than the standard mileage rate used for purposes of section 213.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 7. ADDITIONAL LOW INCOME HOUSING ALLOCATIONS.

(a) **IN GENERAL.**—Subsection (h) of section 42 of is amended by redesignating paragraph

(8) as paragraph (9) and by inserting after paragraph (7) the following new paragraph:

“(8) **ADDITIONAL ALLOCATIONS FOR DISASTERS.**—

“(A) **IN GENERAL.**—In addition to any other allocation made under this subsection, the Secretary may, upon application by any State, make allocations of housing credit dollar amounts to such State for allocation to buildings in such State consistent with the requirements of subparagraph (C).

“(B) **LIMITATIONS.**—The aggregate qualified disaster allocations made by the Secretary under this paragraph may not exceed \$190,000,000. Any allocation which is terminated by the Secretary (by reason of disuse or otherwise) shall not be treated as having been allocated for purposes of the preceding sentence.

“(C) **DISASTER HOUSING ALLOCATIONS.**—For purposes of this section—

“(i) **IN GENERAL.**—Allocations under this paragraph may be made by the Secretary only to States which include a disaster area.

“(ii) **PRIORITY FOR HOUSING LOSS DISASTER AREAS.**—In making allocation under this paragraph, the Secretary shall give priority to housing loss disaster areas.

“(iii) **LIMITATION TO BUILDINGS LOCATED IN HOUSING LOSS DISASTER AREAS.**—Any allocation of housing credit dollar amounts under this paragraph may be allocated by such State (or a housing credit agency of such State) only to—

“(I) buildings located in a disaster area, and

“(II) in the case of any allocation made by reason of a priority under clause (ii), buildings located in the housing loss disaster area with respect to which such priority was given.

“(iv) **PRO RATA ALLOCATIONS.**—The allocations made by the Secretary under this paragraph shall be made ratably over the period described in subparagraph (F) unless the Secretary determines, on the basis of the severity or frequency of disasters, that a different allocation is appropriate.

“(D) **HOUSING LOSS DISASTER AREA.**—For purposes of this paragraph, the term ‘housing loss disaster area’ means any county or municipality—

“(i) with respect to which the Governor of the State in which such county or municipality is located demonstrates to the satisfaction of the Secretary that the lesser of—

“(I) 1,000 dwelling units, or

“(II) 10 percent of the dwelling units located in such county or municipality, have been rendered uninhabitable by reason of damage to or destruction of such units caused by a federally declared disaster, and

“(ii) which is located in a disaster area.

“(E) **DEFINITIONS AND SPECIAL RULES.**—For purposes of this paragraph—

“(i) **FEDERALLY DECLARED DISASTER; DISASTER AREA.**—The terms “federally declared disaster” and “disaster area” shall have the respective meaning given such terms by section 165(h)(3)(C).

“(ii) **NO EFFECT ON CARRYOVERS.**—An allocation of housing credit dollar amount to a State under this paragraph shall not be taken into account under paragraph (3).

“(iii) **CONSULTATION WITH FEMA.**—Any allocation made under this paragraph by the Secretary shall be made after consultation with the Director of the Federal Emergency Management Agency.

“(F) **TERMINATION.**—Allocations under this paragraph may be made only with respect to disasters occurring during the period beginning on January 1, 2008, and ending on December 31, 2011. No allocation under this paragraph may be made to any building after December 31, 2012.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to allocations made after the date of the enactment of this Act.

SEC. 8. PRIVATE ACTIVITY DISASTER BONDS.

(a) **IN GENERAL.**—Section 144 is amended by adding at the end the following new subsection:

“(d) **QUALIFIED DISASTER BOND.**—

“(1) **IN GENERAL.**—For purposes of this part, the term ‘qualified disaster bond’ means any bond issued as part of an issue if—

“(A) 95 percent or more of the net proceeds of the issue are to be used for the replacement, repair, reconstruction, or renovation of property of a character subject to the allowance for depreciation which was damaged or destroyed as a result of a federally declared disaster, and

“(B) such bond is designated by a State for purposes of this subsection.

“(2) **DESIGNATION OF BONDS.**—

“(A) **DESIGNATION BY STATE.**—The maximum aggregate face amount of bonds designated under paragraph (1)(B) by any State may not exceed the bond limitation allocated to such State by the Secretary under subparagraph (B).

“(B) **ALLOCATION OF BOND LIMITATION.**—

“(i) **IN GENERAL.**—The Secretary may, upon application by any State, make allocation of bond limitation to such State if such State includes a disaster area.

“(ii) **LIMITATION.**—The aggregate amount of bond limitation allocated to the States by the Secretary under clause (i) may not exceed \$13,000,000,000. Any allocation which is terminated by the Secretary (by reason of disuse or otherwise) shall not be treated as having been allocated for purposes of the preceding sentence.

“(iii) **PRIORITY FOR BUSINESS LOSS DISASTER AREAS.**—In making allocation under this subsection, the Secretary shall give priority to business loss disaster areas.

“(iv) **LIMITATION TO BUILDINGS LOCATED IN BUSINESS LOSS DISASTER AREAS.**—Any allocation of bond limitation under this subsection may be used by such State only to issue bonds with respect to—

“(I) property located in a disaster area, and

“(II) in the case of any allocation made by reason of a priority under clause (iii), property located in the business loss disaster area with respect to which such priority was given.

“(v) **PRO RATA ALLOCATIONS.**—The allocations made by the Secretary under this subparagraph shall be made ratably over the period described in paragraph (5) unless the Secretary determines, on the basis of the severity or frequency of disasters, that a different allocation is appropriate.

“(3) **BUSINESS LOSS DISASTER AREA.**—For purposes of this subsection, the term ‘business loss disaster area’ means any county or municipality—

“(A) with respect to which the Governor of the State in which such county or municipality is located demonstrates to the satisfaction of the Secretary that business property located in such county or municipality has sustained damages by reason of a federally declared disaster of at least the lesser of—

“(i) \$50,000,000, or

“(ii) 5 percent of the value of all such business property (determined immediately before such disaster on the basis of property tax records or such other method as the Secretary determines appropriate), and

“(B) which is located in a disaster area.

“(4) **DEFINITIONS AND SPECIAL RULES.**—For purposes of this subsection—

“(A) **FEDERALLY DECLARED DISASTER; DISASTER AREA.**—The terms ‘federally declared

disaster’ and ‘disaster area’ shall have the respective meaning given such terms by section 165(h)(3)(C).

“(B) **CERTAIN USES PROHIBITED.**—A bond which is part of an issue shall not be treated as a qualified disaster bond if any proceeds of such issue are to be used for any property described in section 1400N(p)(3).

“(C) **CONSULTATION WITH FEMA.**—Any allocation made under this subsection by the Secretary shall be made after consultation with the Director of the Federal Emergency Management Agency.

“(5) **TERMINATION.**—Allocations under this subsection may be made only—

“(A) before December 31, 2012, and

“(B) with respect to disasters occurring during the period beginning on January 1, 2008, and ending on December 31, 2011.”.

(b) **EXEMPTION FROM ALTERNATIVE MINIMUM TAX.**—

(1) Subparagraph (C) of section 57(a)(5) is amended by redesignating clauses (iv) and (v) as clauses (v) and (vi) and by inserting after clause (iii) the following new clause:

“(iv) **EXCEPTION FOR QUALIFIED DISASTER BONDS.**—For purposes of clause (i), the term ‘private activity bond’ shall not include any qualified disaster bond (as defined in section 144(d)).”.

(2) Clause (iii) of section 56(g)(4)(B) is amended—

(A) by striking “section 57(a)(5)(C)(iii)” and inserting “clause (iii) or (iv) of section 57(a)(5)(C)”, and

(B) by striking “HOUSING” in the heading thereof.

(c) **CONFORMING AMENDMENTS.**—

(1) Section 141(e)(1) is amended by striking “or” at the end of subparagraph (F), by striking the period at the end of subparagraph (G) and inserting “, or”, and by adding at the end the following new subparagraph:

“(H) qualified disaster bond.”.

(2) Section 146(g) is amended by striking “and” at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting “, and”, and by inserting after paragraph (4) the following new paragraph:

“(5) any qualified disaster bond.”.

(3) The heading of section 144 is amended by inserting “; **QUALIFIED DISASTER BOND**” after “**QUALIFIED REDEVELOPMENT BOND**”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 9. WAIVER OF LIMITATION ON CHARITABLE CONTRIBUTIONS FOR DISASTER RELIEF.

(a) **IN GENERAL.**—Section 170(b) is amended by adding at the end the following new paragraph:

“(3) **WAIVER OF LIMITATION IN CASE OF DISASTER RELIEF.**—

“(A) **IN GENERAL.**—Except as otherwise provided in subparagraph (B), paragraphs (1) and (2) shall not apply to qualified disaster contributions and such contributions shall not be taken into account for purposes of applying such paragraphs or subsection (d) to other contributions.

“(B) **TREATMENT OF EXCESS CONTRIBUTIONS.**—For purposes of this section—

“(i) **INDIVIDUALS.**—In the case of an individual—

“(I) **LIMITATION.**—Any qualified disaster contribution shall be allowed only to the extent that the aggregate of such contributions does not exceed the excess of the taxpayer’s contribution base over the amount of all other charitable contributions allowable under paragraph (1).

“(II) **CARRYOVER.**—If the aggregate amount of qualified disaster contributions made in the contribution year (within the meaning of subsection (d)(1)) exceeds the limitation of

subclause (I), such excess shall be added to the excess described in the portion of subparagraph (A) of such subsection which precedes clause (i) thereof for purposes of applying such subsection.

“(ii) **CORPORATIONS.**—In the case of a corporation—

“(I) **LIMITATION.**—Any qualified disaster contribution shall be allowed only to the extent that the aggregate of such contributions does not exceed the excess of the taxpayer’s taxable income (as determined under paragraph (2)) over the amount of all other charitable contributions allowable under such paragraph.

“(II) **CARRYOVER.**—Rules similar to the rules of clause (i)(II) shall apply for purposes of this clause.

“(C) **EXCEPTION TO OVERALL LIMITATION ON ITEMIZED DEDUCTIONS.**—So much of any deduction allowed under this section as does not exceed the qualified disaster contributions paid during the taxable year shall not be treated as an itemized deduction for purposes of section 68.

“(D) **QUALIFIED DISASTER CONTRIBUTIONS.**—

“(i) **IN GENERAL.**—For purposes of this subsection, the term ‘qualified disaster contribution’ means any charitable contribution if—

“(I) such contribution is paid during the period beginning on the date of the enactment of this paragraph, and ending on December 31, 2009, in cash to an organization described in paragraph (1)(A) (other than an organization described in section 509(a)(3)),

“(II) such contribution is for relief efforts related to a federally declared disaster (as defined in section 165(h)(3)(C)(i)), and

“(III) the taxpayer has elected the application of this subsection with respect to such contribution.

“(ii) **EXCEPTION.**—Such term shall not include a contribution if the contribution is for establishment of a new, or maintenance in a donor advised fund (as defined in section 4966(d)(2)).

“(iii) **APPLICATION OF ELECTION TO PARTNERSHIPS AND S CORPORATIONS.**—In the case of a partnership or S corporation, the election under clause (i)(III) shall be made separately by each partner or shareholder.”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

The **SPEAKER pro tempore**. Pursuant to the rule, the gentleman from New York (Mr. RANGEL) and the gentleman from Texas (Mr. BRADY) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

GENERAL LEAVE

Mr. RANGEL. Madam Speaker, I ask that all Members have 5 legislative days to revise and extend their remarks and insert extraneous material in the **RECORD**.

The **SPEAKER pro tempore**. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RANGEL. Madam Speaker, the provisions of H.R. 7006, the Disaster Tax Relief Act of 2008, provide tax relief for victims of disasters. I, along with Ways and Means Committee Ranking Member JAMES MCCRERY, have asked the nonpartisan Joint Committee on Taxation to make available to the public a technical explanation of the bill, JCX-73-08. The technical explanation expresses the committee understanding and the legislative intent

behind this important piece of legislation. It is available on the Joint Committee's Web site www.jct.gov.

Madam Speaker, the United States as a Nation has experienced a terrible number of natural disasters. We started early this year with tornadoes in Georgia and Tennessee. We saw wildfires consume parts of these great United States, millions of acres in California. We saw the mighty rivers of the Midwest overflow their banks and damage the homes and businesses of so many Americans. And most recently, we saw the tremendous power of hurricanes Ike and Gustav devastate parts of Texas and the gulf coast.

I don't think anyone in this Chamber would disagree with me when I say unfortunately, we probably haven't seen the end of these horrible events this year. The hurricane season does not end until November 30.

The individuals hit by these natural disasters all shared one thing in common: they are victims of Mother Nature's strength, and they are looking for assistance from their Federal Government.

The bill before us today, H.R. 7006, the Disaster Tax Relief Act of 2008, provides a framework for the Congress to be able to provide all Americans that they be able to count on us in the unfortunate event that they get hit by a natural disaster. The Congress for years has been forced to negotiate between individual Representatives and Senators to decide which victims deserve Federal relief and which ones do not. It is a process that not one single one of us enjoys being a part of.

My bill today makes certain that every victim of a natural disaster gets the relief they need when they are trying to rebuild their homes and businesses, and trying to rebuild their lives. It does not pick winners and losers. It does not leave the recovery of these victims to a handful involved in political control.

My bill offers a variety of relief to victims of natural disasters, and the bill would first waive the income limitations on personal loss deductions. It would allow businesses to write off certain qualified disaster cleanup expenses. It would permit a 5-year carryback for certain losses. It waives certain mortgage revenue bond requirements to allow bond proceeds to be used for this rebuilding. It provides for additional low-income housing tax credits for communities with housing losses to build \$2 billion in affordable housing. It adds a new set of disaster private activity bonds for business reconstruction, and it waives certain limitations on charitable contributions for disaster relief.

The bill would also increase the standard mileage rate for the charitable use of a vehicle whether they are involved in the disaster or not. And most importantly, the relief will be in place for disasters that may occur for years to come. The provisions are in place through 2011.

That means that when hurricanes like Ike and Gustav come back next year, albeit with different names, the Federal Government will have relief in place for the victims of these terrible storms.

I urge my colleagues to work to protect their constituents and hope and pray that they are never hit. But if they are suffering, that we will be able to swiftly pass this legislation so that we can provide some security for these victims.

I hope that you will listen to two of my fellow Democrats, Representative LAMPSON and Representative CAZAYOUX, who know all too well the pain which these disasters have done to their constituents. And I hope you appreciate, those who have yet to be hit, that this Congress has provided the need and support for their constituents.

At this time I ask unanimous consent to yield the balance of my time to an outstanding member of the Ways and Means Committee, RON KIND, who has drafted the outlines of this not for his district, not for his region, but so that this great country of ours would have the type of relief that all of us wish we had done before, but we are now doing it today.

The SPEAKER pro tempore. Without objection, the balance of the time is yielded.

There was no objection.

Mr. BRADY of Texas. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today in support in H.R. 7006, the Disaster Tax Relief Act of 2008, a bill that provides targeted tax benefits to victims of federally declared natural disasters.

As the chairman and gentleman from New York said, we have had a tough year here in the United States for disasters across this country; most recently, Hurricane Ike which hit the gulf coast and Texas especially. Ike will likely be the worst storm to hit Texas in 50 years. Ike damaged or destroyed about \$52 billion worth of homes and businesses. It was far worse than Hurricane Rita that just hit us 3 years ago. And this is the region of Texas that was so quick to open their homes and their hearts and their churches to those victims of Hurricane Katrina, so it feels a bit like we are being piled on.

We look to areas like Galveston and Bolivar, and Orange and Bridge City where the storm surge destroyed thousands of homes and damaged businesses and left people homeless. Today, 11 days after Hurricane Ike, despite heroic efforts, 250,000 people are still without running water and many more are still without power as the Texas heat continues to bear down on them.

So these folks are suffering. They need our help now. Damage from the hurricane was widespread, and lives were disrupted and destroyed. Yet here it is 11 days after Hurricane Ike, and to its credit, this Congress, which I have

criticized at times as not moving quickly enough or substantively enough, has moved quickly to respond to the needs of not just Texas, but Louisiana, the Midwest and throughout this country. I am grateful to them for that.

I am encouraged that Congress responded so quickly, and I urge my colleagues to support this assistance.

I, along with my friend and colleague from Houston, AL GREEN, along with the Texas delegation, introduced a bill much like Congressman KIND's to provide even more expansive tax benefits to Hurricane Ike victims. While we hope that Congress will consider it in the future because it has some key provisions important to our recovery, this legislation today is a very good step forward, especially coming so quickly after the hurricane.

This bill will provide Texans and others much-needed help through a variety of tax relief measures. One provision is enhanced casualty loss deductions, which in plain English just allows families to write off more of the property loss from Hurricane Ike and other disasters without regard to their adjusted gross income.

We have increased low income housing tax credits by \$2 billion under this bill. That is important to help those who most need housing.

Another provision is the ability to allow States to use mortgage revenue bonds to provide loans to repair or reconstruct homes and rental housing units that are now unsafe for use as residences because of hurricane damage.

In addition, we all must recognize that the business community, those who provide our jobs, experienced severe disruption and damage from Hurricane Ike. To help businesses recover quickly, this legislation will allow them to write off and immediately expense costs for disaster recovery, including demolition, repair, cleanup and environmental remediation.

Any business with net operating losses from the disaster, and there are many, will be allowed to carry back those losses for 5 years, which means they will be able to put more money back into recovery and put workers back to work and getting back into business which is important for property values and sale tax values in our affected communities.

□ 1645

Also, the Treasury Department is authorized under this bill to permit States to issue \$13 billion of tax-exempt bonds to finance the replacement, the repair, the reconstruction and renovation of business property damaged or destroyed by a federally declared disaster like Hurricane Ike. I believe these private activity bonds are a critical tool to help damaged businesses through these hard times.

And we should not forget the remarkable charitable work that people and businesses provided to their friends and

neighbors in hard times. I witnessed this myself throughout our district that was hit so hard. We've seen this in past disasters. To assist those who come selflessly to work so that they do not get hit so hard by the high price of gasoline, the mileage reimbursement rate for charitable work will be increased and, moreover, limits for charitable relief contributions in response to a federal disaster are waived.

This is a very important bill. And while I strongly believe and hope that Congress might take a look at additional measures in the future, this bill is a crucial first step, and I strongly support it.

With that, I reserve the balance of my time.

Mr. KIND. Madam Speaker, I rise, obviously, in support of the legislation. I do want to take a moment and thank my good friend from Texas for being an original sponsor of the legislation that we had introduced earlier this year in regards to disaster relief.

Madam Speaker, as you know all too well, it's always bittersweet to be before the Congress promoting a disaster relief bill; bitter because of the disastrous effect that disasters have on so many families and businesses throughout the country, and certainly we have received our fair share this year alone. But also sweet, given the bipartisan cooperation that we're seeing from the leadership, the leadership on the committee, and I thank Chairman RANGEL and Ranking Member MCCREY for their help and assistance with this package, and the urgency in order to get this done so that we can get the assistance out and the help provided, so we can start rebuilding our communities again, getting people back in their homes, getting businesses up and functioning, hiring people and restoring people's lives.

And we believe this Disaster Tax Relief Act is the right approach. It has three major features to it that I think merits attention. One is, by using the Tax Code, you build in some predictability and certainty for anyone throughout the country who's affected by disaster. Doing it this way, we don't have to wait for Congress to take an action on an appropriation bill or provide FEMA with more funding in order to get help out there.

Another important feature is that it is a nationwide, consistent and fair approach; so that Members, given their seniority or position on certain committees, don't have increased leverage in providing assistance to their area while neglecting other areas throughout country. By dealing with these tax provisions, it applies uniformly throughout the Nation in every district, every State, they qualify merely based on a Federal disaster declaration in that area.

Then, finally, I believe it provides additional assistance to businesses. Over the last year in dealing with the floods that have devastated the upper Midwest and talking to community lead-

ers, but especially business owners, I was struck by the frustration business owners had in what little disaster assistance is out there for them to get their businesses up and going. About their only recourse, since they don't qualify for direct FEMA grants, was for them to go to the Small Business Administration and negotiate a loan at a rate that's typically not even competitive with local bank rates in their area. By revising these tax provisions this is, I think, a direct response of the need for providing more help to businesses, large and small, that are also affected by these disasters.

Real quickly, to highlight some of the provisions, the measure changes limitations to the deduction of personal casualty losses. It waives limits on charitable deductions for relief associated with federally declared disasters. Businesses can write off or deduct qualified disaster expenses through 2011. Businesses hurt by disasters can carry back now net losses for up to 5 years.

And two more provisions that I have to commend the Iowa delegation especially in promoting and getting included in this legislation, from Mr. BOSWELL to Mr. LOEBSACK and Mr. BRALEY, the additional low-income housing credits that's in this bill, and the private activity bond provisions for housing bonds and for business property projects.

As Mr. BRADY also indicated, there is an increase in the charitable mileage rate that Mr. LEWIS from Georgia has been advocating for some time in order to help those who are incurring travel expenses for charitable purposes to keep pace with the increased energy costs that they're facing. This will make it a little bit more affordable for them to continue these activities.

About a little over a year ago, Madam Speaker, the rains came, the waters rose, and the flooding occurred in the upper Midwest. And just when so many people were returning to their homes and getting back into their business, early in June this year we suffered the same type of flooding phenomena. It was a double whammy within a 10-month period of time.

To go through it once is one thing. People have this rallying effect and this collective responsibility to one another, and it's truly inspirational seeing how complete strangers show up on people's doorsteps to help. Seeing how the local community leaders and the first responders are the first ones out there battling the devastating effects of these disasters.

But to get hit within a 10-month period of time with the same type of disaster really takes the wind out of the sails. People have been looking for the government, the Federal Government, along with State and local agencies and all the help that they're getting from the private sector to enable them to get back up on their feet.

The floods in the upper Midwest over the past year that devastated the State

of Iowa, northern Illinois, southern Minnesota and southern Wisconsin and portions of my district were tough enough. And then to see Hurricanes Gustav and Ike and the devastating effect that that has caused to so many lives in the southern part of our country, the wildfires out west, there is a great urgency and need in order to move this disaster relief package forward.

This is one aspect of it. There will still be an emergency supplemental appropriation bill to provide disaster assistance as well. But again, given the outlines and the contours of this legislation, we think it's a uniform, fair approach with built-in predictability, so that if a disaster declaration is declared, people know what they can expect and what type of relief they can have. And then coupled with the assistance that FEMA is able to provide.

Let me just conclude by thanking FEMA for the assistance that they've provided, at least in the upper Midwest that I personally witnessed. They brought teams in that were the height of professionalism, very sensitive to the needs. They tried to expedite the process as quickly as possible while staying true and responsible to taxpayer funds. We appreciated that assistance as well as the coordination that they provided at the State and local level.

With that, Madam Speaker, I would encourage my colleagues to support the legislation.

I will reserve the balance of my time.

Mr. BRADY of Texas. Madam Speaker, I reserve the balance of my time.

Mr. KIND. Madam Speaker, at this time I would like to yield 2 minutes to my good friend and colleague from the great State of Texas who obviously has suffered greatly under the effects of Hurricane Ike, Mr. LAMPSON.

Mr. LAMPSON. Thank you, Mr. KIND, for allowing me to have a little bit of time to talk.

I come to the floor in strong support of H.R. 7006, the Disaster Relief Act of 2008.

Last Saturday, September 13, Hurricane Ike barreled through southeast Texas and in its wake left some of the worst destruction in U.S. history.

I had the pleasure of working closely with my friend, Congressman BRADY, and other colleagues in the Houston area, in trying to put our pieces back together again for so many people.

Hurricane Ike inflicted massive wind and flood damage, leaving many residents without a home, others in homes without power. Texans endured the largest power outage in our State's history, leaving millions without electricity and with limited access to water, food and fuel. People like my own daughter, who, thank goodness, had evacuated to some 300 miles away from her home, and when they returned, found that a tree had crashed through their house, left a 3-foot by 5-foot hole which flooded their home. Thank goodness, that tree, unfortunately, had fallen into the bed where

my 2-year-old granddaughter sleeps. But even in the face of devastation, we can find mighty blessings for which we can be most thankful.

Last week I spent every waking moment helping my constituents recover and rebound from this storm. I worked with House Chief Administrative Officer Dan Beard to establish a mobile congressional office with some 225 laptop computers and telephones. The mobile office allowed displaced residents with nowhere to turn to have an opportunity to quickly get information and to get in touch. Texans used that office for everything from registering for FEMA assistance, finding a hotel, to finding a loved one, or just getting in touch with someone to talk to.

After witnessing the expansive destruction and devastation left by Hurricane Ike, I am determined to make certain that essential Federal tax relief flows quickly to our communities. It is absolutely critical that the Disaster Tax Relief Act of 2008 pass this Chamber and be signed into law without delay.

By removing income limitations on personal loss deductions, this bill helps hardworking Texans affected by the storm get back on their feet more quickly. This bill also helps Texans rebuild by waiving mortgage revenue bond requirements to allow bond proceeds to be used for rebuilding purposes.

The storm left thousands of businesses shuttered and closed, unable to operate without power or with significant property destruction and flood damage.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. KIND. I yield the gentleman 1 additional minute.

Mr. LAMPSON. This bill helps businesses recover by allowing them to write off disaster clean-up expenses. The act's 5-year carry-back provision will help businesses that sustained disaster-related losses, and the new disaster private activity bonds will greatly aid business reconstruction.

Every Texan lent a helping hand during this crisis. I was amazed at how many neighbors welcomed neighbors into their homes, how many churches and hospitals and businesses and military facilities opened their doors to evacuees, how many volunteers showed up on our doorstep from around the State and around the country. Now it is important that the Federal Government lend a helping hand to Texas.

Thank you, Mr. KIND, for the time. I encourage my colleagues to pass H.R. 7006 with dispatch.

Mr. BRADY of Texas. Madam Speaker, at this time I reserve the balance of my time.

Mr. KIND. Mr. Speaker, at this time I would like to yield 3 minutes to our good friend and colleague from Louisiana (Mr. CAZAYOUX) who has been instrumental in helping to shape and put this disaster package together and ushering it through the Congress.

Mr. CAZAYOUX. Thank you, Mr. KIND, for your great leadership on this important issue.

I rise in strong support of H.R. 7006, the Disaster Tax Relief Act of 2008. It's a good bill that deserves passage so citizens in disaster ravaged areas across the country have the assurances they need to rebuild their lives.

On Labor Day of this year, Hurricane Gustav tore across the Sixth District of Louisiana, packing winds of up to 90 miles per hour, while downing trees and power lines across the district and destroying and damaging homes and farms and businesses in its wake. It was, as nearly everyone has concurred, the worst storm that has ever hit the Baton Rouge area.

We are now facing the challenge of rebuilding. One problem that has become glaringly apparent is the named storm deductible issue. Instead of paying normal insurance deductibles to rebuild, constituents in Louisiana are now faced with a deductible of up to 5 percent of the value of their homes, sometimes thousands more than they had paid in the past.

This has been one of the most important issues to me after Hurricane Gustav, and we have asked the House to act and provide relief to these homeowners. I am proud to say that the legislation before us today will do that by expanding tax deductions for people who incurred damages during hurricanes such as Gustav and Ike. By waiving the minimum 10 percent adjusted gross income requirement for deducting losses, this will provide homeowners with much needed relief.

We will also continue to push FEMA on this issue that FEMA recognize these losses as covered by its individual disaster assistance programs.

In addition to expanding tax deductions for disaster-related losses, the bill also contains important tax provisions for businesses recovering from disasters across the country, such as extending the net operating loss carry-back period from 3 to 5 years, and allowing businesses to immediately write off certain expenses relating to Federal disasters. It also increases private activity bond financing for States to issue to businesses following a disaster.

Furthermore, it allows States to use their tax-exempt housing bonds to provide loans to repair or reconstruct homes and rental housing units damaged by storms. It also allocates additional low-income housing tax credits for States suffering a loss of affordable housing as a result of a Federal disaster.

This is a solid start to the long-term recovery for regions trying to rebuild. This year should be a wake-up call for everyone around the country, from Florida to Louisiana to Iowa and California, that we cannot avoid natural disasters but we can hope to mitigate their effects.

This bill shows that Congress is committed to helping our citizens recover, and it deserves our support.

Mr. BRADY of Texas. Madam Speaker, I would reserve the balance of my time.

Mr. KIND. Madam Speaker, may I inquire as to the time remaining on our side?

The SPEAKER pro tempore. The gentleman has 3½ minutes remaining.

Mr. KIND. At this time I would like to yield 2 minutes to my good friend from Iowa, who has been in the front lines of battling the flooding that his State unfortunately incurred, Mr. BOSWELL.

(Mr. BOSWELL asked and was given permission to revise and extend his remarks.)

□ 1700

Mr. BOSWELL. Madam Speaker, I appreciate the time and effort you have put into this and all the people of Iowa do, across the Nation in fact, because I know that when Congressman BRALEY and Congressman LOEBSACK and I took it upon ourselves to visit with the Speaker about this before we were on the work period last July, there was assurance that something would happen. And I felt that she could give us that assurance because we are a United States and we stand together when things happen that we have no control over, natural disaster.

Some parts of Iowa were hit by windstorms, tornado, and then almost immediately followed with flood. So we were hit pretty hard.

Our Speaker stopped and spent a day with us on the way back after the work period and went to all three of the areas that were hit the worst, and how much it was appreciated by the people of Iowa and, of course, as people were watching across the Nation. We appreciate it very much, and she was able to say, because of the confidence that I'm sure she has in not only her leadership but in this institution, that we do stand together when it comes to natural disasters, and that's been our history.

So I'm very appreciative of this. It will be a great help to homeowners, small businesses, getting levees put back in place, and preparing for whatever Mother Nature may bring us next.

I thank you again for the time. I appreciate again your good, hard work.

Mr. BRADY of Texas. Madam Speaker, at this time, I yield 2 minutes to my colleague from Houston, the gentlelady from Texas, Congresswoman SHEILA JACKSON-LEE.

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Let me thank the managing member, Mr. KIND of the Ways and Means Committee, for his leadership and the leadership of Chairman RANGEL. And as well, let me thank my colleague Congressman KEVIN BRADY who over the last 10 days we have traveled throughout our respective districts, along with Congressman LAMPSON and Congressmen AL GREEN, GENE GREEN and RON PAUL, and

we've worked together in a bipartisan effort to obviously respond to the devastation and needs of our constituents.

People are suffering through the impact of Hurricane Ike. We've been told that there will be billions and billions of dollars of damage, 40,000 to 35,000 people still evacuated, many of them coming back to devastated housing and loss of housing.

This is an important initiative. I think one of the most important aspects of it is the ability to increase low-income housing tax credits to States that contain Federal disaster areas. That is particularly important because we've seen the damage to our multiple family housing units. I've also seen the damage that comes about through our regular housing.

Mortgage revenue bond financing for individuals suffering home damage as a result of Federal disaster, there's a limit to the annual amount of taxing housing bonds that each State may issue. This bill allows an increase, a very important part of recovery.

In addition, a business is allowed a 5-year carryback period for certain losses related to the disaster. Of course, the State of Texas has Federal disaster counties, and we have an enormous impact in our business communities, particularly small businesses in our neighborhoods and in our cities.

So this legislation is an important tax relief bill that I believe responds to the crux of the need for recovery, and that's what we want to do in the gulf region. We want to recover. Galveston wants to recover. The southeast part of Harris County wants to recover, and the inner city neighborhoods that I represent such as southeast, such as Acres Home, South Park, Sunny Side, northeast Houston, all of those want to recover.

For that reason, I rise to support The Disaster Tax Relief Act of 2008, H.R. 7006, and I ask my colleagues to support it.

Mr. KIND. Madam Speaker, we have no further requests for time, and I am prepared to yield, if my friend from Texas is.

Mr. BRADY of Texas. I yield myself, for closing, as much time as I may consume.

Disasters are so hard on families and especially on small businesses and on communities as they try to recover, whether it is the flooding in the Midwest or wildfires in the West or Hurricane Ike, Hurricane Gustav or hurricanes that have hit Florida. It is just a terrible time.

And I know in our case, you always know your own communities best, and we saw 8- to 10-foot storm surge in Orange County that went over the levees, flooded one-third of that town and most of its historic district. It completely flooded about 6 feet up in every home in Bridge City. I think out of almost 4,000 homes, 15 were left untouched.

And when I was there touring the area, we toured it the day after by

boat, and these are land cities. We could see the devastation, and today, those communities are trying to recover and those families are trying to repair their homes.

The problem we have is that Hurricane Rita, which had just come through 3 years ago, wiped out all the hotel-motels, had wiped out all available rental housing. So our workers in our energy refineries and shipbuilding and chemical refineries are staying 90, 100 miles away in available hotels, driving each day an hour-and-a-half each way to try to pull the carpet and the sheetrock out of their homes. They have all their possessions in the world piled in the front yard for insurance adjusters to appraise or for others to just simply take away.

And to give them hope that they can recover, it's important Congress do all that we can, and these tax provisions help those families and small businesses try to take those first steps, which is why not only do I strongly support this, I appreciate the gentleman from Wisconsin's long effort to provide disaster relief throughout this country.

I appreciate Chairman RANGEL and the Ways and Means Committee taking a leadership role to move this bill to the floor before the session is over. I appreciate the support of our Texas delegation, Republicans and Democrats, as we move forward.

I strongly support this and appreciate the responsiveness of this Congress.

I yield back.

Mr. KIND. Madam Speaker, I yield myself the remainder of my time.

Again, Madam Speaker, I do want to thank and commend the leadership of this Congress, from Speaker PELOSI to Minority Leader BOEHNER, as well as the leadership on the House Ways and Means Committee, to Mr. RANGEL, to Mr. MCCRERY, and my colleagues on the committee.

I also want to thank all the hard work and effort that our staff on the committee and off the committee have put in to putting this legislation in order.

And disasters, as my friend from Texas so eloquently stated, is not fun. It is not fun seeing the effect that it has on families, on little children, on businesses and the spirit of the communities. But they also are a time of great inspiration, and it really tests the true character of any community.

And we've unfortunately seen that in a span of 10 months twice in the State of Wisconsin. We still have communities there that are wrestling with some very important decisions about possibly relocating whole towns into higher ground or to different locations where there have been businesses and homes for generations there, and it's not an easy decision.

At times like that, it's inspirational seeing how people come together and rally from the agencies, to local leaders, to first responders, to volunteer or-

ganizations, and complete strangers just showing up because of their concern and compassion for their fellow citizens.

Now, it's the country's time, and this Nation has always shown that compassionate streak, that when one area has been hit by a disaster, we all rally and collectively respond. And no one, no matter where they live, is immune from this, and that's been demonstrated again over the course of this last year.

We think this is an appropriate direction. We think the provisions in here are the right way to go, and I would encourage my colleagues to support this legislation.

Mr. BRADY of Texas. Would the gentleman yield?

Mr. KIND. I would be happy to yield.

Mr. BRADY of Texas. Again, I want to thank you for your leadership, and this is a great piece of legislation.

I was remiss in not recognizing my colleague, Congressman AL GREEN from Houston. He's the lead Democrat cosponsor with me on the Texas portion of disaster relief. He is tied up in Financial Services today working on issues. I know he is here in spirit, and I just wanted to publicly thank him for his role as well.

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise today to speak on a very important issue to me, House Resolution 7006, the Disaster Tax Relief Act of 2008. Right now, over 800,000 people in the greater Houston area are without power; this is not acceptable. We must pass responsible legislation to make it easier for people to get back on their feet after natural disasters ravage their communities. It is time to show the Nation that we learned the lessons of Katrina and Rita and now Ike as well as the other natural disasters we have faced in recent memory.

Katrina and Rita taught FEMA quite a lot on how to recover from natural disasters that destroy thousands of people's homes and livelihood. We now have more advanced warning systems in place, a better plan to evacuate those in the storm's path and our first responders are better trained to deal with the medical crisis for those whose best option is to stay. All these things helped save countless lives in my district, but now we face the true test of how a nation responds to a natural disaster.

While we have plenty to praise about the response, sadly, we also have plenty to criticize. The utility companies were told to improve their infrastructure so that a disaster like this would not cripple the region; however, more than a week after Hurricane Ike, these utility companies left my constituents to clean up with flashlights and candles. Power still has not been restored to almost a million people, and we face an emerging health crisis because of it.

I have taken every opportunity to talk to people facing this crisis and to find out what the Government can do to help them rebuild their shattered lives. A number of stories that I have heard have been inspirational, they want, more than anything, to help their friends, family and neighbors. My staff has received hundreds of calls from people begging to be of any assistance. These brave souls look at the

devastation and refuse to sit by and watch as people they don't know, as well as their loved ones, suffer.

This bill will honor those wonderful human beings by helping ease the burden they have willingly placed on themselves to help. They will get a higher reimbursement for the miles they drive in the service of others. The limit that corporations are allowed to write off on their taxes would be waived. This will allow companies to help the communities they support and still remain responsible officers for the employees who work for them.

Madam Speaker, this legislation would also help people's way of life remain protected during Federal disasters. Being able to deduct a greater cost for their damaged property help keep homes in the affected areas instead of them not being rebuilt and relocating. Allowing small businesses to write off expenses relating to these disasters assures that the jobs for those who return still exist. Businesses would also be able to focus on healing before they focus on gathering what is owed to them. Moving the carry-back period, the statute of limitations on claiming damages from natural disasters, from 2 years to 5 years would provide financial assistance as well as peace of mind.

Since the time of the founding of our country, the Government has been helping out towns and cities affected by disasters. In 1803 a small fire ravaged the town of Portsmouth, New Hampshire, and the Congress reacted. This is widely considered the first use of any type of disaster relief.

Today, a lot of my constituents are no better off than they were a week ago; this must be remedied. This bill is a great step forward to help communities recover, and we must pass this bill. With that, I am also pleased to be an original cosponsor of this legislation with my Texas colleagues, Congressman AL GREEN and Congressman KEVIN BRADY.

Mr. LEWIS of Georgia. Madam Speaker, I support this Disaster Tax Relief Act, and I want to thank my colleagues on the Ways and Means Committee, Congressman KIND and Chairman RANGEL, for working to bring this bill to the floor today.

The Disaster Tax Relief Act addresses deep concerns I had after tornadoes struck Atlanta. Tornadoes touched down right in the heart of Atlanta. They blew the windows out of my very own office. They destroyed sections of neighborhoods and damaged businesses in our city and across Georgia.

The damage caused by these tornadoes and storms was no different than the damage caused anywhere else in America this year. If you lose your home or business, a loss is a loss and damage is damage. Yes, some disasters are more severe than others. But when it comes to rebuilding homes and businesses, when it comes to recovery, the tax code should be fair.

Some think when floods, hurricanes, and tornadoes strike it means States deserve special treatment based on old politics. Some can overlook natural disasters that have occurred all over our country and try to provide specific disaster tax recovery assistance for just one State and just one tragedy. This is wrong. It is not right. It is not just.

This Disaster Tax Relief Act provides fair tax relief and recognizes all disasters, like those in Atlanta, Iowa, Wisconsin, Florida, Kansas, and other places. It also recognizes

the role of volunteers performing charity work every day but often in the wake of a disaster.

On September 10th I introduced with my good friend and colleague, JIM RAMSTAD, H.R. 6854, the Fair Deal for Volunteers Act of 2008. Among other things, this bill will increase the standard mileage rate tax deduction from 14 cents a mile to an amount determined by the Secretary of Treasury that is not less than the standard rate used for medical purposes. It is currently 27 cents a mile.

With the cost of gas and the precious need for volunteers to keep delivering meals and blankets and supplies, this is the very least we can do. I am proud that so many members of the House and Senate have pushed for this kind of change. I hope we can push harder and pass the entire Fair Deal for Volunteers Act.

I thank the staff on the Ways and Means Committee and the Oversight Subcommittee for their good work on this measure.

Mr. KIND. Madam Speaker, I yield back.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. RANGEL) that the House suspend the rules and pass the bill, H.R. 7006.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. KIND. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

TREATMENT OF FARMS WITH LIMITED BASE ACRES

Mr. ETHERIDGE. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 6849) to amend the commodity provisions of the Food, Conservation, and Energy Act of 2008 to permit producers to aggregate base acres and reconstitute farms to avoid the prohibition on receiving direct payments, counter-cyclical payments, or average crop revenue election payments when the sum of the base acres of a farm is 10 acres or less, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6849

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF FARMS WITH LIMITED BASE ACRES.

(a) SUSPENSION OF PROHIBITION.—

(1) IN GENERAL.—Section 1101(d) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8711(d)) is amended by adding at the end the following:

“(4) SUSPENSION OF PROHIBITION.—Paragraphs (1) through (3) shall not apply during the 2008 and 2009 crop years.”.

(2) PEANUTS.—Section 1302(d) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8752(d)) is amended by adding at the end the following:

“(4) SUSPENSION OF PROHIBITION.—Paragraphs (1) through (3) shall not apply during the 2008 and 2009 crop years.”.

(b) EXTENSION OF 2008 SIGNUP FOR DIRECT PAYMENTS AND COUNTER-CYCLICAL PAYMENTS.—

(1) IN GENERAL.—Section 1106 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8716) is amended by adding at the end the following:

“(f) EXTENSION OF 2008 SIGNUP.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall extend the 2008 crop year deadline for the signup for benefits under this subtitle by producers on a farm with base acres of 10 acres or less until the later of—

“(A) November 14, 2008; or

“(B) the end of the 45-day period beginning on the date of the enactment of this subsection.

“(2) PENALTIES.—The Secretary shall ensure that no penalty with respect to benefits under this subtitle is assessed against producers on a farm described in paragraph (1) for failure to submit reports under this section or timely comply with other program requirements as a result of compliance with the extended signup deadline under that paragraph.”.

(2) PEANUTS.—Section 1305 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8755) is amended by adding at the end the following:

“(f) EXTENSION OF 2008 SIGNUP.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall extend the 2008 crop year deadline for the signup for benefits under this subtitle by producers on a farm with base acres of 10 acres or less until the later of—

“(A) November 14, 2008; or

“(B) the end of the 45-day period beginning on the date of the enactment of this subsection.

“(2) PENALTIES.—The Secretary shall ensure that no penalty with respect to benefits under this subtitle is assessed against producers on a farm described in paragraph (1) for failure to submit reports under this section or timely comply with other program requirements as a result of compliance with the extended signup deadline under that paragraph.”.

(c) OFFSETTING REDUCTION.—Section 515(k)(1) of the Federal Crop Insurance Act (7 U.S.C. 1515(k)(1)) is amended by striking “not more than \$15,000,000 for each of fiscal years 2008 through 2011” and inserting “not more than \$15,000,000 for fiscal year 2008, not more than \$9,000,000 for fiscal year 2009, and not more than \$8,000,000 for each of fiscal years 2010 and 2011”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. ETHERIDGE) and the gentleman from Virginia (Mr. GOODLATTE) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. ETHERIDGE. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ETHERIDGE. Madam Speaker, I rise in strong support of H.R. 6849.

Let me also thank Chairman PETERSON, chairman of the full committee, and Ranking Member GOODLATTE for their hard work and effort in making