

103^D CONGRESS
2^D SESSION

H. R. 4634

To amend the Internal Revenue Code of 1986 to provide that a taxpayer may elect to include in income crop insurance proceeds and disaster payments in the year of the disaster or in the following year, to provide for a technical correction regarding indexation of the threshold applicable to the luxury automobile excise tax, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 23, 1994

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

A BILL

To amend the Internal Revenue Code of 1986 to provide that a taxpayer may elect to include in income crop insurance proceeds and disaster payments in the year of the disaster or in the following year, to provide for a technical correction regarding indexation of the threshold applicable to the luxury automobile excise tax, 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,*

1 **SECTION 1. SPECIAL RULE FOR CROP INSURANCE PRO-**
2 **CEEDS AND DISASTER PAYMENTS.**

3 (a) IN GENERAL.—Section 451(d) of the Internal
4 Revenue Code of 1986 (relating to special rule for crop
5 insurance proceeds and disaster payments) is amended to
6 read as follows:

7 “(d) SPECIAL RULE FOR CROP INSURANCE PRO-
8 CEEDS AND DISASTER PAYMENTS.—

9 “(1) GENERAL RULE.—In the case of any pay-
10 ment described in paragraph (2), a taxpayer report-
11 ing on the cash receipts and disbursements method
12 of accounting—

13 “(A) may elect to treat any such payment
14 received in the taxable year of destruction or
15 damage of crops as having been received in the
16 following taxable year if the taxpayer estab-
17 lishes that, under the taxpayer’s practice, in-
18 come from such crops involved would have been
19 reported in a following taxable year, or

20 “(B) may elect to treat any such payment
21 received in a taxable year following the taxable
22 year of the destruction or damage of crops as
23 having been received in the taxable year of de-
24 struction or damage, if the taxpayer establishes
25 that, under the taxpayer’s practice, income
26 from such crops involved would have been re-

1 ported in the taxable year of destruction or
2 damage.

3 “(2) PAYMENTS DESCRIBED.—For purposes of
4 this subsection, a payment is described in this para-
5 graph if such payment—

6 “(A) is insurance proceeds received on ac-
7 count of destruction or damage to crops, or

8 “(B) is disaster assistance received under
9 any Federal law as a result of—

10 “(i) destruction or damage to crops
11 caused by drought, flood, or other natural
12 disaster, or

13 “(ii) inability to plant crops because
14 of such a disaster.”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 subsection (a) applies to payments received after Decem-
17 ber 31, 1992, as a result of destruction or damage occur-
18 ring after such date.

19 **SEC. 2. TECHNICAL CORRECTION REGARDING INDEXATION**
20 **OF THRESHOLD APPLICABLE TO LUXURY**
21 **AUTOMOBILE EXCISE TAX.**

22 (a) IN GENERAL.—Subsection (e) of section 4001 of
23 the Internal Revenue Code of 1986 (relating to inflation
24 adjustment) is amended to read as follows:

25 “(e) INFLATION ADJUSTMENT.—

1 “(1) IN GENERAL.—In the case of any calendar
2 year after 1993, the \$30,000 amount in subsection
3 (a) and section 4003(a) shall be increased by an
4 amount equal to—

5 “(A) \$30,000, multiplied by

6 “(B) the cost-of-living adjustment under
7 section 1(f)(3) for such calendar year, deter-
8 mined by substituting ‘calendar year 1990’ for
9 ‘calendar year 1992’ in subparagraph (B)
10 thereof.

11 “(2) ROUNDING.—If any amount as adjusted
12 under paragraph (1) is not a multiple of \$2,000,
13 such amount shall be rounded to the next lowest
14 multiple of \$2,000.”

15 (b) EFFECTIVE DATE.—The amendment made by
16 subsection (a) shall take effect on January 1, 1995.

○