

110TH CONGRESS  
1ST SESSION

# H. R. 3444

To extend tax relief to the residents and businesses of an area with respect to which a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (FEMA–1711–DR) by reason of severe storms and flooding beginning on June 26, 2007, and determined by the President to warrant individual or individual and public assistance from the Federal Government under such Act.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 3, 2007

Mr. TIAHRT (for himself, Mr. MOORE of Kansas, Mrs. BOYDA of Kansas, and Mr. MORAN of Kansas) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Transportation and Infrastructure, 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

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## A BILL

To extend tax relief to the residents and businesses of an area with respect to which a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (FEMA–1711–DR) by reason of severe storms and flooding beginning on June 26, 2007, and determined by the President to warrant individual or individual and public assistance from the Federal Government under such Act.

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 “Kansas Flood Recovery  
5 and Economic Opportunity Act of 2007”.

6 **SEC. 2. INCREASED FEDERAL SHARE FOR DISASTER AS-**  
7 **SISTANCE.**

8       (a) IN GENERAL.—Notwithstanding any other provi-  
9 sion of law, including any agreement, the Federal share  
10 of assistance, including direct Federal assistance, provided  
11 for the State of Kansas in connection with the severe  
12 storms and flooding which began on June 26, 2007, and  
13 ended on July 25, 2007, under sections 403, 406, 407,  
14 and 408 of the Robert T. Stafford Disaster Relief and  
15 Emergency Assistance Act (42 U.S.C. 5170b, 5172, 5173,  
16 and 5174) shall be 100 percent of the eligible costs under  
17 such sections.

18       (b) APPLICABILITY.—

19           (1) IN GENERAL.—The Federal share provided  
20 by subsection (a) shall apply to disaster assistance  
21 applied for before the date of enactment of this Act.

22           (2) LIMITATION.—In the case of disaster assist-  
23 ance provided under sections 403, 406, and 407 of  
24 the Robert T. Stafford Disaster Relief and Emer-  
25 gency Assistance Act, the Federal share provided by

1 subsection (a) shall be limited to assistance provided  
2 for projects for which a “request for public assist-  
3 ance form” has been submitted.

4 **SEC. 3. TEMPORARY TAX RELIEF FOR FLOODED AREAS IN**  
5 **KANSAS.**

6 The following provisions of or relating to the Internal  
7 Revenue Code of 1986 shall apply, in addition to the areas  
8 described in such provisions, to an area with respect to  
9 which a major disaster has been declared by the President  
10 under section 401 of the Robert T. Stafford Disaster Re-  
11 lief and Emergency Assistance Act (FEMA–1711–DR, as  
12 in effect on the date of the enactment of this Act) by rea-  
13 son of severe storms and flooding beginning on June 26,  
14 2007, and determined by the President to warrant indi-  
15 vidual or individual and public assistance from the Federal  
16 Government under such Act with respect to damages at-  
17 tributed to such storms and flooding:

18 (1) **SUSPENSION OF CERTAIN LIMITATIONS ON**  
19 **PERSONAL CASUALTY LOSSES.**—Section 1400S(b)(1)  
20 of the Internal Revenue Code of 1986, by sub-  
21 stituting “June 26, 2007” for “August 25, 2005”.

22 (2) **EXTENSION OF REPLACEMENT PERIOD FOR**  
23 **NONRECOGNITION OF GAIN.**—Section 405 of the  
24 Katrina Emergency Tax Relief Act of 2005, by sub-  
25 stituting “on or after June 26, 2007, by reason of

1 the severe storms and flooding described in the Kan-  
2 sas Flood Recovery and Economic Opportunity Act  
3 of 2007” for “on or after August 25, 2005, by rea-  
4 son of Hurricane Katrina”.

5 (3) EMPLOYEE RETENTION CREDIT FOR EM-  
6 PLOYERS AFFECTED BY JUNE 26 STORMS AND  
7 FLOODS.—Section 1400R(a) of the Internal Revenue  
8 Code of 1986—

9 (A) by substituting “June 26, 2007” for  
10 “August 28, 2005” each place it appears,

11 (B) by substituting “January 1, 2008” for  
12 “January 1, 2006” both places it appears, and

13 (C) only with respect to eligible employers  
14 who employed an average of not more than 200  
15 employees on business days during the most re-  
16 cent taxable year ending before June 26, 2007.

17 (4) SPECIAL ALLOWANCE FOR CERTAIN PROP-  
18 erty ACQUIRED ON OR AFTER JUNE 26, 2007.—Sec-  
19 tion 1400N(d) of such Code—

20 (A) by substituting “qualified Recovery As-  
21 sistance property” for “qualified Gulf Oppor-  
22 tunity Zone property” each place it appears,

23 (B) by substituting “June 26, 2007” for  
24 “August 28, 2005” each place it appears,

1 (C) by substituting “December 31, 2008”  
2 for “December 31, 2007” in paragraph  
3 (2)(A)(v),

4 (D) by substituting “December 31, 2009”  
5 for “December 31, 2008” in paragraph  
6 (2)(A)(v),

7 (E) by substituting “June 25, 2007” for  
8 “August 27, 2005” in paragraph (3)(A),

9 (F) by substituting “January 1, 2009” for  
10 “January 1, 2008” in paragraph (3)(B), and

11 (G) determined without regard to para-  
12 graph (6) thereof.

13 (5) INCREASE IN EXPENSING UNDER SECTION  
14 179.—Section 1400N(e) of such Code, by sub-  
15 stituting “qualified section 179 Recovery Assistance  
16 property” for “qualified section 179 Gulf Oppor-  
17 tunity Zone property” each place it appears.

18 (6) EXPENSING FOR CERTAIN DEMOLITION AND  
19 CLEAN-UP COSTS.—Section 1400N(f) of such  
20 Code—

21 (A) by substituting “qualified Recovery As-  
22 sistance clean-up cost” for “qualified Gulf Op-  
23 portunity Zone clean-up cost” each place it ap-  
24 pears, and

1 (B) by substituting “beginning on June  
2 26, 2007, and ending on December 31, 2009”  
3 for “beginning on August 28, 2005, and ending  
4 on December 31, 2007” in paragraph (2) there-  
5 of.

6 (7) INCREASE IN REHABILITATION CREDIT.—  
7 Section 1400N(h) of such Code by substituting “on  
8 June 26, 2007, and ending on December 31, 2009”  
9 for “on August 28, 2005, and ending on December  
10 31, 2008”.

11 (8) TREATMENT OF NET OPERATING LOSSES  
12 ATTRIBUTABLE TO STORM LOSSES.—Section  
13 1400N(k) of such Code—

14 (A) by substituting “qualified Recovery As-  
15 sistance loss” for “qualified Gulf Opportunity  
16 Zone loss” each place it appears,

17 (B) by substituting “after June 25, 2007,  
18 and before January 1, 2010” for “after August  
19 27, 2005, and before January 1, 2008” each  
20 place it appears,

21 (C) by substituting “June 26, 2007” for  
22 “August 28, 2005” in paragraph (2)(B)(ii)(I)  
23 thereof,

24 (D) by substituting “qualified Recovery  
25 Assistance property” for “qualified Gulf Oppor-

1 tunity Zone property” in paragraph (2)(B)(iv)  
2 thereof, and

3 (E) by substituting “qualified Recovery As-  
4 sistance casualty loss” for “qualified Gulf Op-  
5 portunity Zone casualty loss” each place it ap-  
6 pears.

7 (9) TREATMENT OF PUBLIC UTILITY PROPERTY  
8 DISASTER LOSSES.—Section 1400N(o) of such Code.

9 (10) TREATMENT OF REPRESENTATIONS RE-  
10 GARDING INCOME ELIGIBILITY FOR PURPOSES OF  
11 QUALIFIED RENTAL PROJECT REQUIREMENTS.—Sec-  
12 tion 1400N(n) of such Code.

13 (11) SPECIAL RULES FOR USE OF RETIREMENT  
14 FUNDS.—Section 1400Q of such Code—

15 (A) by substituting “qualified Recovery As-  
16 sistance distribution” for “qualified hurricane  
17 distribution” each place it appears,

18 (B) by substituting “on or after June 26,  
19 2007, and before January 1, 2009” for “on or  
20 after August 25, 2005, and before January 1,  
21 2007” in subsection (a)(4)(A)(i),

22 (C) by substituting “qualified storm dis-  
23 tribution” for “qualified Katrina distribution”  
24 each place it appears,

1 (D) by substituting “after December 27,  
2 2006, and before June 26, 2007” for “after  
3 February 28, 2005, and before August 29,  
4 2005” in subsection (b)(2)(B)(ii),

5 (E) by substituting “beginning on June  
6 26, 2007, and ending on December 27, 2007”  
7 for “beginning on August 25, 2005, and ending  
8 on February 28, 2006” in subsection (b)(3)(A),

9 (F) by substituting “qualified storm indi-  
10 vidual” for “qualified Hurricane Katrina indi-  
11 vidual” each place it appears,

12 (G) by substituting “December 31, 2008”  
13 for “December 31, 2006” in subsection  
14 (c)(2)(A),

15 (H) by substituting “beginning on the date  
16 of the enactment of the Kansas Flood Recovery  
17 and Economic Opportunity Act of 2007, and  
18 ending on December 31, 2008” for “beginning  
19 on September 24, 2005, and ending on Decem-  
20 ber 31, 2006” in subsection (c)(4)(A)(i),

21 (I) by substituting “June 26, 2007” for  
22 “August 25, 2005” in subsection (c)(4)(A)(ii),  
23 and

1                   (J) by substituting “January 1, 2008” for  
2                   “January 1, 2007” in subsection (d)(2)(A)(ii).

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