

111TH CONGRESS
2^D SESSION

H. R. 5398

To amend the Internal Revenue Code of 1986 to allow the first-time home-buyer credit for the purchase of a principal residence to replace a principal residence damaged or destroyed in a federally declared disaster, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 25, 2010

Mr. PAUL 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 allow the first-time homebuyer credit for the purchase of a principal residence to replace a principal residence damaged or destroyed in a federally declared disaster, 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 “Help Disaster Victims
5 Buy a New Home Act of 2010”.

1 **SEC. 2. ALLOWANCE OF FIRST-TIME HOMEBUYER CREDIT**
2 **FOR REPLACING PRINCIPAL RESIDENCE**
3 **DAMAGED OR DESTROYED IN FEDERALLY**
4 **DECLARED DISASTER.**

5 (a) **IN GENERAL.**—Section 36 of the Internal Rev-
6 enue Code of 1986 is amended by redesignating subsection
7 (h) as subsection (i) and by inserting after subsection (g)
8 the following new subsection:

9 “(h) **SPECIAL RULES RELATING TO FEDERALLY DE-**
10 **CLARED DISASTERS.**—

11 “(1) **IN GENERAL.**—In the case of an individual
12 (and, if married, such individual’s spouse) who pur-
13 chases a principal residence to replace the principal
14 residence of such individual (and spouse) damaged
15 or destroyed by a federally declared disaster, such
16 individual (and spouse) shall be treated as a first-
17 time homebuyer for purposes of this section with re-
18 spect to the purchase of such subsequent residence.

19 “(2) **FEDERALLY DECLARED DISASTER.**—For
20 purposes of this subsection, the term ‘federally de-
21 clared disaster’ has the meaning given such term by
22 section 165(h)(3).”.

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

1 **SEC. 3. MODIFICATION OF CASUALTY LOSS RULES.**

2 (a) DEDUCTION ALLOWED IN COMPUTING AD-
3 JUSTED GROSS INCOME.—Subsection (a) of section 62 of
4 the Internal Revenue Code of 1986 is amended by insert-
5 ing before the last sentence the following new paragraph:

6 “(22) CASUALTY LOSS DUE TO FEDERALLY DE-
7 CLARED DISASTER.—The deduction allowed by sec-
8 tion 165 by reason of subsection (h)(3) thereof.”.

9 (b) ELECTION TO TAKE LOSS IN SUBSEQUENT
10 YEAR.—Paragraph (1) of section 165(i) of such Code is
11 amended—

12 (1) in the text by inserting “one of the suc-
13 ceeding 5 taxable years immediately following the
14 taxable year in which the disaster occurred” before
15 the period, and

16 (2) in the heading by striking “FOR PRE-
17 CEDING” and inserting “IN A DIFFERENT”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to disasters declared in taxable
20 years beginning after the date of the enactment of this
21 Act.

22 **SEC. 4. EXCLUSION OF DISASTER-RELATED UNEMPLOY-**
23 **MENT ASSISTANCE FROM GROSS INCOME.**

24 (a) IN GENERAL.—Section 85 of the Internal Rev-
25 enue Code of 1986 is amended by adding at the end the
26 following:

1 “(d) EXCEPTION RELATING TO DISASTERS.—Sub-
2 section (a) shall not apply to assistance provided under
3 section 410 of the Robert T. Stafford Disaster Relief and
4 Emergency Assistance Act (42 U.S.C. 5177).”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 subsection (a) shall apply to amounts received after the
7 date of the enactment of this Act.

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