

111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 6428

To exclude from gross income compensation provided by Pacific Gas and Electric Company for victims of the natural gas transmission line explosion occurring in San Bruno, California, and to treat as nontaxable any gain from the involuntary conversion of their property as the result of such explosion, without regard to the rules requiring conversion to property of a similar use.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 2010

Ms. SPEIER introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To exclude from gross income compensation provided by Pacific Gas and Electric Company for victims of the natural gas transmission line explosion occurring in San Bruno, California, and to treat as nontaxable any gain from the involuntary conversion of their property as the result of such explosion, without regard to the rules requiring conversion to property of a similar use.

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. SHORT TITLE.**

2 This Act may be cited as the “San Bruno Victims  
3 Compensation Fairness Act of 2010”.

4 **SEC. 2. NATURAL GAS TRANSMISSION LINE EXPLOSION**  
5 **COMPENSATION EXCLUDED FROM GROSS IN-**  
6 **COME.**

7 (a) IN GENERAL.—For purposes of the Internal Rev-  
8 enue Code of 1986—

9 (1) the natural gas transmission line explosion  
10 on September 9, 2010, in San Bruno, California,  
11 shall be treated as a qualified disaster under section  
12 139(c) of such Code, and

13 (2) any compensation provided by Pacific Gas  
14 and Electric Company to a victim of such disaster  
15 shall be treated as a qualified disaster relief pay-  
16 ment under section 139 of such Code.

17 (b) EFFECTIVE DATE.—Subsection (a) shall apply to  
18 amounts received on or after September 9, 2010.

19 **SEC. 3. GAIN FROM CONVERSION OF PROPERTY EXCLUDED**  
20 **FROM GROSS INCOME.**

21 (a) IN GENERAL.—In the case of any gain from the  
22 compulsory or involuntary conversion of property as the  
23 result of its destruction, in whole or in part, by the natural  
24 gas explosion described in section 1(1)—

1           (1) section 1033 of the Internal Revenue Code  
2           of 1986 shall not apply with respect to such gain,  
3           and

4           (2) such gain shall not be included in gross in-  
5           come for purposes of such Code.

6           (b) EFFECTIVE DATE.—Subsection (a) shall apply to  
7           compulsory or involuntary conversions on or after Sep-  
8           tember 9, 2010.

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