

118TH CONGRESS  
1ST SESSION

# S. 2236

To amend the Internal Revenue Code of 1986 to repeal the temporary limitation on personal casualty losses.

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IN THE SENATE OF THE UNITED STATES

JULY 11, 2023

Mr. BLUMENTHAL (for himself, Mr. CASSIDY, Ms. WARREN, Mr. MARKEY, and Mr. MURPHY) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to repeal the temporary limitation on personal casualty losses.

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 “Casualty Loss Deduc-  
5 tion Restoration Act”.

1 **SEC. 2. REPEAL OF TEMPORARY LIMITATION ON PER-**  
 2 **SONAL CASUALTY LOSSES; TEMPORARY DOL-**  
 3 **LAR LIMITATION ADDED.**

4 (a) IN GENERAL.—Section 165(h) of the Internal  
 5 Revenue Code of 1986 is amended by striking paragraph  
 6 (5) and inserting the following new paragraph:

7 “(5) LIMITATION FOR TAXABLE YEARS 2018  
 8 THROUGH 2025.—

9 “(A) IN GENERAL.—In the case of an indi-  
 10 vidual, the aggregate amount of any personal  
 11 casualty losses allowed under subsection (a)  
 12 with respect to a taxable year beginning after  
 13 December 31, 2017, and before January 1,  
 14 2026, shall not exceed \$50,000 for each such  
 15 taxable year.

16 “(B) EXCEPTION.—Subparagraph (A)  
 17 shall not apply to any personal casualty loss at-  
 18 tributable to a Federally declared disaster (as  
 19 defined in subsection (i)(5)) allowed under sub-  
 20 section (a).”.

21 (b) EXTENSION OF PERIOD OF LIMITATION.—

22 (1) IN GENERAL.—In the case of a claim for  
 23 credit or refund which is properly allocable to a loss  
 24 which is described in paragraph (2)—

25 (A) the period of limitation prescribed in  
 26 section 6511(a) of the Internal Revenue Code

1 of 1986 for the filing of such claim shall be  
2 treated as not expiring earlier than the date  
3 that is 1 year after the date of the enactment  
4 of this Act, and

5 (B) any limitation described in section  
6 6511(b)(2) shall not apply.

7 (2) LOSS DESCRIBED.—A loss is described in  
8 this paragraph if such loss is—

9 (A) described in section 165(c)(3) of the  
10 Internal Revenue Code of 1986, and

11 (B) deductible under section 165(a) for a  
12 taxable year beginning after December 31,  
13 2017.

14 (c) EFFECTIVE DATE.—The amendment made by  
15 subsection (a) shall apply to losses incurred in taxable  
16 years beginning after December 31, 2017.

17 (d) REGULATIONS.—The Secretary of the Treasury  
18 (or the Secretary's delegate) shall issue such regulations  
19 or other guidance as are necessary to implement the  
20 amendment made by this section, including regulations or  
21 guidance consistent with Revenue Procedure 2017–60.

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