

112TH CONGRESS  
1ST SESSION

# H. R. 53

To amend the Internal Revenue Code of 1986 to deny a deduction for removal costs and damages for which taxpayers are liable under the Oil Pollution Act of 1990.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 2011

Mr. CONNOLLY of Virginia (for himself and Mr. TONKO) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to deny a deduction for removal costs and damages for which taxpayers are liable under the Oil Pollution Act of 1990.

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. DENIAL OF DEDUCTION FOR REMOVAL COSTS**  
4 **AND DAMAGES FOR OIL SPILLS.**

5 (a) IN GENERAL.—Part IX of subchapter B of chap-  
6 ter 1 of the Internal Revenue Code of 1986 (relating to  
7 items not deductible) is amended by adding at the end  
8 the following new section:

1 **“SEC. 280I. EXPENSES FOR REMOVAL COSTS AND DAMAGES**  
2 **RELATING TO OIL SPILL LIABILITY.**

3 “No deduction shall be allowed under this chapter for  
4 any amount paid or incurred with respect to any costs or  
5 damages for which the taxpayer is liable under section  
6 1002 of the Oil Pollution Act of 1990 (33 U.S.C. 2702).”.

7 (b) CLERICAL AMENDMENT.—The table of sections  
8 for part IX of subchapter B of chapter 1 of such Code  
9 is amended by adding at the end the following new item:

“Sec. 280I. Expenses for removal costs and damages relating to oil spill liability.”.

10 (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply with respect to any liability arising  
12 after December 31, 2009.

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