

117TH CONGRESS
1ST SESSION

S. 1027

To amend the Internal Revenue Code of 1986 to repeal the temporary limitation on personal casualty losses, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 25, 2021

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

A BILL

To amend the Internal Revenue Code of 1986 to repeal the temporary limitation on personal casualty losses, 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 “Tax Assistance for
5 Crumbling Foundations Act”.

1 **SEC. 2. REPEAL OF TEMPORARY LIMITATION ON PER-**
2 **SONAL CASUALTY LOSSES.**

3 (a) **IN GENERAL.**—Section 165(h) of the Internal
4 Revenue Code of 1986 is amended by striking paragraph
5 (5).

6 (b) **CONFORMING AMENDMENT.**—Section 6511 of
7 such Code is amended by adding at the end the following
8 new subsection:

9 “(j) **EXTENSION OF PERIOD OF LIMITATION ON FIL-**
10 **ING CLAIM IN CERTAIN CIRCUMSTANCES.**—In the case of
11 any credit or refund properly allocable to a deduction
12 under section 165(h) for the first taxable year beginning
13 in 2017, subsection (a) shall be applied by substituting
14 ‘2 years’ with ‘3 years’ in each place it appears, and ‘3
15 years’ with ‘4 years’ in each place it appears.”.

16 (c) **EFFECTIVE DATE.**—The amendments made by
17 this section shall apply to losses incurred in taxable years
18 beginning after December 31, 2017.

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

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