

114TH CONGRESS  
1ST SESSION

# S. 76

To provide tax relief with respect to the Hurricane Isaac disaster area.

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IN THE SENATE OF THE UNITED STATES

JANUARY 7, 2015

Mr. VITTER introduced the following bill; which was read twice and referred  
to the Committee on Finance

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## A BILL

To provide tax relief with respect to the Hurricane Isaac  
disaster area.

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 “Investment Savings  
5 Access After Catastrophes Act of 2015”.

6 **SEC. 2. HURRICANE ISAAC DISASTER AREA.**

7 For purposes of this Act, the term “Hurricane Isaac  
8 disaster area” means any parish or county of Louisiana  
9 or Mississippi which is (in whole or in part) in the area  
10 with respect to which a major disaster has been declared  
11 by the President before September 10, 2012, under section

1 401 of the Robert T. Stafford Disaster Relief and Emer-  
2 gency Assistance Act by reason of Hurricane Isaac.

3 **SEC. 3. SUSPENSION OF PERSONAL CASUALTY LOSS LIM-**  
4 **TATIONS.**

5 Paragraphs (1) and (2) of section 165(h) of the In-  
6 ternal Revenue Code of 1986 shall not apply to losses de-  
7 scribed in section 165(c)(3) of such Code which arise in  
8 the Hurricane Isaac disaster area during the 2-year period  
9 beginning on August 26, 2012, and which are attributable  
10 to Hurricane Isaac. In the case of any other losses, section  
11 165(h)(2)(A) of such Code shall be applied without regard  
12 to the losses referred to in the preceding sentence.

13 **SEC. 4. TREATMENT OF NET OPERATING LOSSES ATTRIB-**  
14 **UTABLE TO HURRICANE ISAAC.**

15 (a) EXTENSION OF CARRYBACK PERIOD.—During  
16 the 2-year period beginning on August 26, 2012, if a por-  
17 tion of any net operating loss of the taxpayer for any tax-  
18 able year is a Hurricane Isaac loss, section 172(b)(1) of  
19 the Internal Revenue Code of 1986 shall be applied with  
20 respect to such portion—

21 (1) by substituting “5 taxable years” for “2  
22 taxable years” in subparagraph (A)(i) thereof, and

23 (2) by not taking such portion into account in  
24 determining any eligible loss of the taxpayer under  
25 subparagraph (F) thereof for the taxable year.

1 (b) SUSPENSION OF 90 PERCENT AMT LIMITA-  
 2 TION.—Section 56(d)(1) of the Internal Revenue Code of  
 3 1986 shall be applied by increasing the amount deter-  
 4 mined under subparagraph (A)(ii)(I) thereof by the sum  
 5 of the carrybacks and carryovers of any net operating loss  
 6 attributable to the portion described in subsection (a).

7 (c) HURRICANE ISAAC LOSS.—For purposes of this  
 8 section—

9 (1) IN GENERAL.—The term “Hurricane Isaac  
 10 loss” means the lesser of—

11 (A) the excess of—

12 (i) the net operating loss for such tax-  
 13 able year, over

14 (ii) the specified liability loss for such  
 15 taxable year to which a 10-year carryback  
 16 applies under section 172(b)(1)(C) of the  
 17 Internal Revenue Code of 1986, or

18 (B) the amount of any deduction for any  
 19 qualified Hurricane Isaac casualty loss to the  
 20 extent taken into account in computing the net  
 21 operating loss for such taxable year.

22 (2) QUALIFIED HURRICANE ISAAC CASUALTY  
 23 LOSS.—

24 (A) IN GENERAL.—The term “qualified  
 25 Hurricane Isaac casualty loss” means any un-

1 compensated section 1231 loss (as defined in  
 2 section 1231(a)(3)(B) of such Code) of property  
 3 located in the Hurricane Isaac disaster area  
 4 if—

5 (i) such loss is allowed as a deduction  
 6 under section 165 of such Code for the  
 7 taxable year, and

8 (ii) such loss is by reason of Hurri-  
 9 cane Isaac.

10 (B) APPLICABLE RULES.—For purposes of  
 11 subparagraph (A), rules similar to the rules of  
 12 subparagraphs (B) and (C) of paragraph (3),  
 13 and paragraph (4), of section 1400N(k) of such  
 14 Code shall apply.

15 **SEC. 5. TAX-FAVORED WITHDRAWALS FROM RETIREMENT**  
 16 **PLANS.**

17 (a) IN GENERAL.—A qualified Hurricane Isaac dis-  
 18 tribution shall be treated as a qualified hurricane distribu-  
 19 tion for purposes of section 1400Q(a) of the Internal Rev-  
 20 enue Code of 1986.

21 (b) QUALIFIED HURRICANE ISAAC DISTRIBUTION.—  
 22 For purposes of subsection (a), the term “qualified Hurri-  
 23 cane Isaac distribution” means any distribution from an  
 24 eligible retirement plan made on or after August 26, 2012,  
 25 and before September 11, 2014, to an individual whose

1 principal place of abode on August 26, 2012, is located  
2 in the Hurricane Isaac disaster area and who has sus-  
3 tained an economic loss by reason of Hurricane Isaac.

4 (c) APPLICABLE RULES.—For purposes of this sec-  
5 tion, rules similar to the rules of section 1400Q(a) of the  
6 Internal Revenue Code of 1986 (other than paragraph  
7 (4)(A) thereof) shall apply.

8 **SEC. 6. RESCISSION OF UNSPENT AND UNCOMMITTED FED-**  
9 **ERAL FUNDS.**

10 (a) IN GENERAL.—Notwithstanding any other provi-  
11 sion of law, of all available unobligated Federal funds, an  
12 amount in appropriated discretionary unexpired funds de-  
13 termined by the Director of the Office of Management and  
14 Budget to be equal to the reduction in Federal revenues  
15 by reason of the enactment of this Act is rescinded.

16 (b) IMPLEMENTATION.—Not later than 60 days after  
17 the date of enactment of this Act, the Director of the Of-  
18 fice of Management and Budget shall—

19 (1) identify the accounts and amounts rescinded  
20 to implement subsection (a); and

21 (2) submit a report to the Secretary of the  
22 Treasury and Congress of the accounts and amounts  
23 identified under paragraph (1) for rescission.

1           (c) EXCEPTION.—This section shall not apply to the  
2 unobligated Federal funds of the Department of Defense  
3 or the Department of Veterans Affairs.

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