

105TH CONGRESS
2D SESSION

S. 2004

To amend the Internal Revenue Code of 1986 to authorize the Secretary of the Treasury to abate the accrual of interest on income tax underpayments by taxpayers located in Presidentially declared disaster areas if the Secretary extends the time for filing returns and payment of tax for such taxpayers.

IN THE SENATE OF THE UNITED STATES

APRIL 29, 1998

Mr. GRAMS (for himself, Mr. COVERDELL, Mr. FRIST, Mr. MCCAIN, Mr. HUTCHINSON, Mr. SMITH of Oregon, Mr. GRAHAM, and Mr. D'AMATO) 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 authorize the Secretary of the Treasury to abate the accrual of interest on income tax underpayments by taxpayers located in Presidentially declared disaster areas if the Secretary extends the time for filing returns and payment of tax for such taxpayers.

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 “Disaster Victim Tax
5 Extension Act of 1998”.

1 **SEC. 2. ABATEMENT OF INTEREST ON UNDERPAYMENTS BY**
 2 **TAXPAYERS IN PRESIDENTIALLY DECLARED**
 3 **DISASTER AREAS.**

4 (a) IN GENERAL.—Section 6404 of the Internal Rev-
 5 enue Code of 1986 (relating to abatements) is amended
 6 by adding at the end the following:

7 “(h) ABATEMENT OF INTEREST ON UNDERPAY-
 8 MENTS BY TAXPAYERS IN PRESIDENTIALLY DECLARED
 9 DISASTER AREAS.—

10 “(1) IN GENERAL.—If the Secretary extends for
 11 any period the time for filing income tax returns
 12 under section 6081 and the time for paying income
 13 tax with respect to such returns under section 6161
 14 for any taxpayer located in a Presidentially declared
 15 disaster area, the Secretary shall abate for such pe-
 16 riod the assessment of any interest prescribed under
 17 section 6601 on such income tax.

18 “(2) PRESIDENTIALLY DECLARED DISASTER
 19 AREA.—For purposes of paragraph (1), the term
 20 ‘Presidentially declared disaster area’ means, with
 21 respect to any taxpayer, any area which the Presi-
 22 dent has determined warrants assistance by the Fed-
 23 eral Government under the Disaster Relief and
 24 Emergency Assistance Act.”.

25 (b) EFFECTIVE DATE.—The amendment made by
 26 this section shall apply to disasters declared after Decem-

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1 ber 31, 1996, with respect to taxable years beginning after
2 December 31, 1996.

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