

107TH CONGRESS
1ST SESSION

H. R. 1095

To clarify the tax treatment of payments made under the Cerro Grande
Fire Assistance Act.

IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 2001

Mr. UDALL of New Mexico introduced the following bill; which was referred
to the Committee on Ways and Means

A BILL

To clarify the tax treatment of payments made under the
Cerro Grande Fire Assistance Act.

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. EXCLUSION FROM GROSS INCOME FOR PAY-**
4 **MENTS UNDER CERRO GRANDE FIRE ASSIST-**
5 **ANCE ACT.**

6 (a) IN GENERAL.—Section 104(d) of the Cerro
7 Grande Fire Assistance Act (Public Law 106–246; 114
8 Stat. 585) is amended by adding at the end the following
9 new paragraph:

1 “(5) PAYMENTS EXCLUDED FROM GROSS IN-
2 COME.—

3 “(A) IN GENERAL.—For purposes of the
4 Internal Revenue Code of 1986, gross income
5 shall not include any amount of any payment
6 under this title not otherwise excludable from
7 gross income under such Code.

8 “(B) DENIAL OF DOUBLE BENEFIT.—Sub-
9 paragraph (A) shall not apply to any amount if
10 under such Code—

11 “(i) a deduction or credit is allowed
12 with respect to such amount, or

13 “(ii) an increase in the adjusted basis
14 of any property results from such
15 amount.”.

16 (b) EFFECTIVE DATE.—The amendment made by
17 this section shall take effect as if included in the enact-
18 ment of the Cerro Grande Fire Assistance Act.

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