

where the Lerner Research Institute was established to conduct research of new treatments for cancer, coronary artery disease, and AIDS;

Whereas Al Lerner, along with his business partner Carmen Policy, reestablished a National Football League team in Northern Ohio when he purchased the expansion Cleveland Browns football organization in 1998, worked hard to make the people of Cleveland and Northern Ohio proud of their football team, and was subsequently appointed chairman of the National Football League Finance Committee;

Whereas the Cleveland Browns, on the strength of Al Lerner's leadership, reached the National Football League playoffs following the 2002 season, only 4 years after returning to the league;

Whereas Al Lerner served as founder, chairman, and chief executive of MBNA Corporation, which employs thousands of people in Ohio and is the Nation's largest issuer of independent credit cards;

Whereas Al Lerner served as vice chairman, trustee, and benefactor of Columbia College, which is now known as Columbia University, and also served as a trustee for Case Western Reserve University and New York Presbyterian Hospital;

Whereas Al Lerner helped raise funds, through his affiliation with MBNA and the Cleveland Browns, for the "Cleveland Browns Hero Fund" to aid families from the New York City Fire and Police Departments who suffered the loss of a parent in the tragic September 11, 2001, terrorist attacks;

Whereas Al Lerner was appointed in 2001 by President Bush as 1 of 15 members of the President's Foreign Intelligence Advisory Board, which advises the President concerning the quality and adequacy of intelligence collection, intelligence analysis and estimates, counter-intelligence, and other intelligence activities;

Whereas Al Lerner is survived by his wife, partner, and best friend, Norma, their son Randy, their daughter Nancy, and 7 grandchildren; and

Whereas Al Lerner passed away on October 23, 2002, and the contributions he made to his family, his community, and his Nation will not be forgotten: Now, therefore, be it

Resolved, That the Senate—

(1) honors the life, achievements, and contributions of Alfred Lerner; and

(2) extends its deepest sympathies to the family of Alfred Lerner for the loss of a great and generous man.

AMENDMENTS SUBMITTED AND PROPOSED

SA 527. Mr. NICKLES proposed an amendment to the bill S. 476, to provide incentives for charitable contributions by individuals and businesses, to improve the public disclosure of activities of exempt organizations, and to enhance the ability of low-income Americans to gain financial security by building assets, and for other purposes.

SA 528. Mr. LIEBERMAN proposed an amendment to the concurrent resolution S. Con. Res. 31, expressing the outrage of Congress at the treatment of certain American prisoners of war by the Government of Iraq.

TEXT OF AMENDMENTS

SA 527. Mr. NICKLES proposed an amendment to the bill S. 476, to provide incentives for charitable contributions by individuals and businesses, to improve the public disclosure of activities of exempt organizations, and to en-

hance the ability of low-income Americans to gain financial security by building assets, and for other purposes; as follows:

Beginning on page 26, line 8, strike all through page 36, line 13, and insert the following:

SEC. 107. EXCLUSION OF 25 PERCENT OF GAIN ON SALES OR EXCHANGES OF LAND OR WATER INTERESTS TO NONPROFIT ENTITIES FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by inserting after section 121 the following new section:

“SEC. 121A. 25-PERCENT EXCLUSION OF GAIN ON SALES OR EXCHANGES OF LAND OR WATER INTERESTS TO NONPROFIT ENTITIES FOR CHARITABLE PURPOSES.

“(a) EXCLUSION.—Gross income shall not include 25 percent of the qualifying gain from a qualifying sale of a long-held qualifying land or water interest.

“(b) QUALIFYING GAIN.—For purposes of this section—

“(1) IN GENERAL.—The term ‘qualifying gain’ means any gain which would be recognized as long-term capital gain.

“(2) SPECIAL RULE FOR SALES OF STOCK.—If the long-held qualifying land or water interest is 1 or more shares of stock in a qualifying land or water corporation, the qualifying gain is equal to the lesser of—

“(A) the qualifying gain determined under paragraph (1), or

“(B) the product of—

“(i) the percentage of such corporation's stock which is transferred by the taxpayer, times

“(ii) the amount which would have been the qualifying gain (determined under paragraph (1)) if there had been a qualifying sale by such corporation of all of its interests in the land and water for a price equal to the product of the fair market value of such interests times the ratio of—

“(I) the proceeds of the qualifying sale of the stock, to

“(II) the fair market value of the stock which was the subject of the qualifying sale.

“(c) QUALIFYING SALE.—For purposes of this section, the term ‘qualifying sale’ means a sale or exchange which meets the following requirements:

“(1) TRANSFEREE IS AN ELIGIBLE ENTITY.—The transferee of the long-held qualifying land or water interest is an eligible entity.

“(2) QUALIFYING LETTER OF INTENT REQUIRED.—At the time of the sale or exchange, such transferee provides the taxpayer with a qualifying letter of intent.

“(3) NONAPPLICATION TO CERTAIN SALES.—The sale or exchange is not made pursuant to an order of condemnation or eminent domain.

“(4) CONTROLLING INTEREST IN STOCK SALE REQUIRED.—In the case of the sale or exchange of stock in a qualifying land or water corporation, at the end of the taxpayer's taxable year in which such sale or exchange occurs, the transferee's ownership of stock in such corporation meets the requirements of section 1504(a)(2) (determined by substituting ‘90 percent’ for ‘80 percent’ each place it appears).

“(d) LONG-HELD QUALIFYING LAND OR WATER INTEREST.—For purposes of this section—

“(1) IN GENERAL.—The term ‘long-held qualifying land or water interest’ means any qualifying land or water interest owned by the taxpayer or a member of the taxpayer's family (as defined in section 2032A(e)(2)) at all times during the 5-year period ending on the date of the sale.

“(2) QUALIFYING LAND OR WATER INTEREST.—

“(A) IN GENERAL.—The term ‘qualifying land or water interest’ means a real property interest which constitutes—

“(i) a taxpayer's entire interest in land,

“(ii) a taxpayer's entire interest in water rights,

“(iii) a qualified real property interest (as defined in section 170(h)(2)), or

“(iv) stock in a qualifying land or water corporation.

“(B) ENTIRE INTEREST.—For purposes of clause (i) or (ii) of subparagraph (A)—

“(i) a partial interest in land or water is not a taxpayer's entire interest if an interest in land or water was divided in order to create such partial interest in order to avoid the requirements of such clause or section 170(f)(3)(A), and

“(ii) a taxpayer's entire interest in certain land does not fail to satisfy subparagraph (A)(i) solely because the taxpayer has retained an interest in other land, even if the other land is contiguous with such certain land and was acquired by the taxpayer along with such certain land in a single conveyance.

“(e) OTHER DEFINITIONS.—For purposes of this section—

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) a governmental unit referred to in section 170(c)(1), or an agency or department thereof, or

“(B) an entity which is described in section 170(b)(1)(A)(vi) or section 170(h)(3)(B).

“(2) QUALIFYING LETTER OF INTENT.—The term ‘qualifying letter of intent’ means a written letter of intent which includes the following statement: ‘The transferee's intent is that this acquisition will serve 1 or more of the charitable purposes of the transferee and that the use of the property will continue to be consistent with such purposes, even if ownership or possession of such property is subsequently transferred to another person.’

“(3) QUALIFYING LAND OR WATER CORPORATION.—The term ‘qualifying land or water corporation’ means a C corporation (as defined in section 1361(a)(2)) if, as of the date of the qualifying sale—

“(A) the fair market value of the corporation's interests in land or water held by the corporation at all times during the preceding 5 years equals or exceeds 90 percent of the fair market value of all of such corporation's assets, and

“(B) not more than 50 percent of the total fair market value of such corporation's assets consists of water rights or infrastructure related to the delivery of water, or both.

“(f) TAX ON SUBSEQUENT TRANSFERS OR REMOVALS OF CHARITABLE USE RESTRICTIONS.—

“(1) IN GENERAL.—A tax is hereby imposed on any subsequent—

“(A) transfer by an eligible entity of ownership or possession, whether by sale, exchange, or lease, of property acquired directly or indirectly in—

“(i) a qualifying sale described in subsection (a), or

“(ii) a transfer described in clause (i), (ii), or (iii) of paragraph (4)(A), or

“(B) removal of a charitable use restriction contained in an instrument of conveyance of such property.

“(2) AMOUNT OF TAX.—The amount of tax imposed by paragraph (1) on any transfer or removal shall be equal to the sum of—

“(A) either—

“(i) 20 percent of the fair market value (determined at the time of the transfer) of the property the ownership or possession of which is transferred, or

“(ii) 20 percent of the fair market value (determined at the time immediately after