

HR 3768

Katrina Emergency Tax Relief Act of 2005

Congress: 109 (2005–2007, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Sep 14, 2005

Current Status: Became Public Law No: 109-73.

Latest Action: Became Public Law No: 109-73. (Sep 23, 2005)

Law: 109-73 (Enacted Sep 23, 2005)

Official Text: <https://www.congress.gov/bill/109th-congress/house-bill/3768>

Sponsor

Name: Rep. McCrery, Jim [R-LA-4]

Party: Republican • State: LA • Chamber: House

Cosponsors (6 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Alexander, Rodney [R-LA-5]	R · LA		Sep 14, 2005
Rep. Baker, Richard H. [R-LA-6]	R · LA		Sep 14, 2005
Rep. Boustany, Charles W., Jr. [R-LA-7]	R · LA		Sep 14, 2005
Rep. Jefferson, William J. [D-LA-2]	D · LA		Sep 14, 2005
Rep. Jindal, Bobby [R-LA-1]	R · LA		Sep 14, 2005
Rep. Melancon, Charlie [D-LA-3]	D · LA		Sep 14, 2005

Committee Activity

Committee	Chamber	Activity	Date
Budget Committee	House	Referred To	Sep 14, 2005
Ways and Means Committee	House	Referred To	Sep 14, 2005

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
109 HRES 454	Related bill	Sep 21, 2005: Motion to reconsider laid on the table Agreed to without objection.
109 S 1696	Related bill	Sep 15, 2005: Ordered placed on Senate Legislative Calendar under General Orders. Calendar No. 212.

Katrina Emergency Tax Relief Act of 2005 - (Sec. 2) Defines: (1) "Hurricane Katrina disaster area" as an area declared as a major disaster area by the President before September 14, 2005, by reason of Hurricane Katrina; and (2) "core disaster area" as that portion of the Hurricane Katrina disaster area determined by the President to warrant individual or individual and public assistance.

**Title I: Special Rules For Use Of Retirement Funds For Relief Relating To Hurricane Katrina** - (Sec. 101) Exempts from the 10% penalty for premature retirement plan distributions any qualified Hurricane Katrina distribution, up to \$100,000, made on or after August 25, 2005, and before January 1, 2007, to an individual whose principal place of abode on August 28, 2005, was located in the Hurricane Katrina disaster area and who has sustained an economic loss due to Hurricane Katrina. Allows repayment of a qualified Hurricane Katrina distribution to a tax-qualified retirement plan as a rollover if made within three years after an initial distribution. Allows qualified Hurricane Katrina distributions to be spread in income ratably over a three-year period.

(Sec. 102) Allows individuals to make rollover contributions to tax-qualified retirement plans of distributions from such plans received after February 28 and before August 29, 2005, to purchase or construct a principal residence in a Hurricane Katrina disaster area if the residence was not purchased or constructed due to Hurricane Katrina.

(Sec. 103) Increases from \$50,000 to \$100,000 the limits on loans from tax-qualified retirement plans for Hurricane Katrina victims. Extends the repayment period for such loans.

(Sec. 104) Sets forth rules for the retroactive application of amendments made by this title or by regulation to existing retirement plans or annuity contracts.

**Title II: Employment Relief** - (Sec. 201) Includes a Hurricane Katrina employee as a member of a targeted group for purposes of the work opportunity tax credit. Defines "Hurricane Katrina employee" as any individual who is reasonably identified as having a principal residence in a core disaster area on August 28, 2005, and who is hired in such area prior to December 31, 2005. Waives the termination date of the work opportunity tax credit for Hurricane Katrina employees.

(Sec. 202) Allows employers in a core disaster area a business tax credit for 40 percent of the first \$6,000 of wages paid to core disaster area employees after August 28, 2005, and before January 1, 2006.

**Title III: Charitable Giving Incentives** - (Sec. 301) Suspends limitations on individual and corporate tax deductions for cash contributions to charitable organizations made between August 28 and December 31, 2005.

(Sec. 302) Allows individuals, in taxable years beginning in 2005 or 2006, to claim an additional tax exemption of \$500 to \$2,000 for providing free housing for a period of 60 consecutive days to an individual displaced by Hurricane Katrina.

(Sec. 303) Increases (to 70 percent of the standard mileage rate for business usage) the mileage rate for the tax deduction for charitable use of an automobile for Hurricane Katrina disaster relief between August 25, 2005, and December 31, 2006.

(Sec. 304) Excludes from gross income reimbursements to volunteers for automobile expenses for providing Hurricane Katrina disaster relief between August 25, 2005, and December 31, 2006.

(Sec. 305) Extends to individual taxpayers (currently, restricted to C corporations) the tax deduction for charitable contributions of food inventory made between August 28 and December 31, 2005.

(Sec. 306) Allows an increased tax deduction for charitable contributions of book inventories made to public schools between August 28 and December 31, 2005.

**Title IV: Additional Tax Relief Provisions** - (Sec. 401) Excludes from gross income certain nonbusiness discharges of indebtedness of individuals residing in the core disaster area or the Hurricane Katrina disaster area, made on or after August 25, 2005, and before January 1, 2007.

(Sec. 402) Suspends limitations on the tax deduction for personal casualty losses attributable to Hurricane Katrina.

(Sec. 403) Extends deadlines for the filing of certain tax returns (including excise and employment tax returns) and for the payment of such taxes until February 28, 2006, for taxpayers in the Hurricane Katrina disaster area.

(Sec. 404) Suspends certain requirements for home loans financed by mortgage revenue bonds for residences in the Hurricane Katrina disaster area and core disaster area that were rendered uninhabitable. Increases the limit on such loans to \$150,000.

(Sec. 405) Extends from two to five years the mandatory replacement period for property which is compulsorily or involuntarily converted on or after August 25, 2005, due to Hurricane Katrina, for purposes of allowing nonrecognition of gain from the conversion of such property.

(Sec. 406) Allows taxpayers displaced by Hurricane Katrina to use earned income for the previous taxable year to compute the earned income and child tax credits for the tax year which includes August 25, 2005.

(Sec. 407) Authorizes the Secretary of the Treasury, for taxable years beginning in 2005 or 2006, to apply the tax laws to ensure that taxpayers do not lose any tax deduction or credit or experience a change of filing status by reason of temporary relocations due to Hurricane Katrina.

**Title V: Emergency Requirement** - (Sec. 501) Declares that any provision of this Act causing an effect on receipts, budget authority, or outlays is designated as an emergency requirement (pursuant to section 402 of H. Con. Res. 95 [109th Congress]).

## Actions Timeline

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- **Sep 23, 2005:** Signed by President.
- **Sep 23, 2005:** Signed by President.
- **Sep 23, 2005:** Became Public Law No: 109-73.
- **Sep 23, 2005:** Became Public Law No: 109-73.
- **Sep 22, 2005:** Message on Senate action sent to the House.
- **Sep 22, 2005:** Presented to President.
- **Sep 22, 2005:** Presented to President.
- **Sep 21, 2005:** Resolving differences -- House actions: House agreed to Senate amendment with amendment pursuant to H. Res. 454.(consideration: CR H8192-8195, H8197-8198; text as House agreed to Senate amendment with amendment: CR H8189-8192)
- **Sep 21, 2005:** House agreed to Senate amendment with amendment pursuant to H. Res. 454. (consideration: CR H8192-8195, H8197-8198; text as House agreed to Senate amendment with amendment: CR H8189-8192)
- **Sep 21, 2005:** Message on House action received in Senate and at desk: House amendment to Senate amendment.
- **Sep 21, 2005:** Resolving differences -- Senate actions: Senate agreed to amendment of the House to the amendment of the Senate by Unanimous Consent.(consideration: CR S10320-10325; text as Senate agreed to House amendment: CR S10320-10323)
- **Sep 21, 2005:** Senate agreed to amendment of the House to the amendment of the Senate by Unanimous Consent. (consideration: CR S10320-10325; text as Senate agreed to House amendment: CR S10320-10323)
- **Sep 21, 2005:** Cleared for White House.
- **Sep 20, 2005:** Message on Senate action sent to the House.
- **Sep 15, 2005:** Mr. McCrery moved to suspend the rules and pass the bill, as amended.
- **Sep 15, 2005:** Considered under suspension of the rules. (consideration: CR H8014-8022)
- **Sep 15, 2005:** DEBATE - The House proceeded with forty minutes of debate on H.R. 3768.
- **Sep 15, 2005:** Passed/agreed to in House: On motion to suspend the rules and pass the bill, as amended Agreed to by voice vote.(text: CR H8014-8017)
- **Sep 15, 2005:** On motion to suspend the rules and pass the bill, as amended Agreed to by voice vote. (text: CR H8014-8017)
- **Sep 15, 2005:** Motion to reconsider laid on the table Agreed to without objection.
- **Sep 15, 2005:** Received in the Senate, read twice.
- **Sep 15, 2005:** Measure laid before Senate by unanimous consent. (consideration: CR S10147)
- **Sep 15, 2005:** Passed/agreed to in Senate: Passed Senate with an amendment by Unanimous Consent.
- **Sep 15, 2005:** Passed Senate with an amendment by Unanimous Consent.
- **Sep 14, 2005:** Introduced in House
- **Sep 14, 2005:** Introduced in House
- **Sep 14, 2005:** Referred to the Committee on Ways and Means, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
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