

118TH CONGRESS
2D SESSION

H. R. 10203

To provide tax relief for damages relating to Hurricanes Helene and Milton.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 21, 2024

Mr. BUCHANAN (for himself, Mr. STEUBE, Mr. MURPHY, Mr. FERGUSON, Mrs. CHERFILUS-McCORMICK, Mr. WEBSTER of Florida, Mr. DUNN of Florida, Mr. BILIRAKIS, Ms. LEE of Florida, Mrs. LUNA, and Mr. SCOTT FRANKLIN of Florida) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide tax relief for damages relating to Hurricanes Helene and Milton.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Hurricane Helene and Milton Tax Relief Act of 2024”.

6 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

Sec. 3. Earned income credit determined based on preceding taxable year income with respect to qualified hurricane disaster areas.

Sec. 4. Increased limitation on charitable contributions for disaster relief; certain contributions paid before April 15, 2025, treated as paid in 2024.

Sec. 5. Hurricane-related personal casualty losses.

Sec. 6. Special hurricane disaster-related rules for use of retirement funds.

1 **SEC. 2. DEFINITIONS.**

2 For purposes of this Act—

3 (a) **ELIGIBLE INDIVIDUAL.**—The term “eligible indi-
4 vidual” means an individual whose principal place of abode
5 at any time during the incident period is located in the
6 qualified hurricane disaster area and who has sustained
7 an economic loss by reason of Hurricane Helene or Hurri-
8 cane Milton.

9 (b) **QUALIFIED HURRICANE DISASTER AREA.**—The
10 term “qualified hurricane disaster area” means an area
11 with respect to which a major disaster has been declared
12 by the President (before the date of the enactment of this
13 Act) under section 401 of the Robert T. Stafford Disaster
14 Relief and Emergency Assistance Act by reason of Hurri-
15 cane Helene or Hurricane Milton.

16 (c) **INCIDENT PERIOD.**—The term “incident period”
17 means the period beginning on September 28, 2024, and
18 ending on November 2, 2024.

19 **SEC. 3. EARNED INCOME CREDIT DETERMINED BASED ON**
20 **PRECEDING TAXABLE YEAR INCOME WITH**
21 **RESPECT TO QUALIFIED HURRICANE DIS-**
22 **ASTER AREAS.**

23 (a) **IN GENERAL.**—In the case of an eligible indi-
24 vidual, if the earned income of the taxpayer for the appli-

1 cable taxable year is less than the earned income of the
2 taxpayer for the preceding taxable year, the credit allowed
3 under section 32 of the Internal Revenue Code of 1986
4 for the applicable taxable year may, at the election of the
5 taxpayer, be determined by substituting—

6 (1) such earned income for the preceding tax-
7 able year, for

8 (2) such earned income for the applicable tax-
9 able year.

10 (b) APPLICABLE TAX YEAR.—For purposes of this
11 section, the term “applicable taxable year” means any tax-
12 able year which includes any portion of the incident pe-
13 riod.

14 (c) EARNED INCOME.—For purposes of this section,
15 the term “earned income” has the meaning given such
16 term under section 32(c) of such Code.

17 (d) SPECIAL RULES.—

18 (1) APPLICATION TO JOINT RETURNS.—For
19 purposes of subsection (a), in the case of a joint re-
20 turn for an applicable taxable year—

21 (A) such subsection shall apply if either
22 spouse is an eligible individual, and

23 (B) the earned income of the taxpayer for
24 the preceding taxable year shall be the sum of

1 the earned income of each spouse for such pre-
2 ceding taxable year.

3 (2) ERRORS TREATED AS MATHEMATICAL
4 ERROR.—For purposes of section 6213 of such
5 Code, an incorrect use on a return of earned income
6 pursuant to subsection (a) shall be treated as a
7 mathematical or clerical error.

8 (3) NO EFFECT ON DETERMINATION OF GROSS
9 INCOME, ETC.—Except as otherwise provided in this
10 section, such Code shall be applied without regard to
11 any substitution under subsection (a).

12 (4) LIMITATION TO SINGLE TAXABLE YEAR.—
13 No taxpayer may make an election under subsection
14 (a) if such taxpayer (or in the case of a joint return,
15 the taxpayer's spouse) made such an election for any
16 preceding taxable year.

17 **SEC. 4. INCREASED LIMITATION ON CHARITABLE CON-**
18 **TRIBUTIONS FOR QUALIFIED HURRICANE**
19 **DISASTER RELIEF; CERTAIN CONTRIBUTIONS**
20 **PAID BEFORE APRIL 15, 2025, TREATED AS**
21 **PAID IN 2024.**

22 (a) QUALIFIED HURRICANE DISASTER CONTRIBU-
23 TIONS.—

24 (1) INDIVIDUALS.—In the case of any qualified
25 hurricane disaster contribution, notwithstanding sec-

1 tion 170(b) of such Code, the total amount of such
2 contributions which may be taken into account
3 under section 170(a) of such Code shall not exceed
4 the excess of—

5 (A) the taxpayer's contribution base, over

6 (B) the amount of all other charitable con-
7 tributions allowable under section 170(b)(1) of
8 such Code.

9 (2) CARRYOVER.—

10 (A) IN GENERAL.—If the aggregate
11 amount of contributions described in paragraph
12 (1) exceeds the limitation under such para-
13 graph, such excess shall be treated (in a man-
14 ner consistent with the rules of subsection
15 170(d)(1) of such Code) as a charitable con-
16 tribution to which paragraph (1) applies in each
17 of the 5 succeeding years in order of time.

18 (B) COORDINATION WITH DEDUCTION FOR
19 CHARITABLE CONTRIBUTIONS.—For purposes
20 of applying this paragraph and sections
21 170(b)(1)(G) and 170(d)(1) of such Code, con-
22 tributions described in paragraph (1) shall not
23 be treated as described in subparagraph (A) or
24 (G) of section 170(b)(1) of such Code and such

1 subparagraphs shall be applied without regard
2 to such contributions.

3 (3) APPLICATION OF ELECTION TO PARTNER-
4 SHIPS AND S CORPORATIONS.—In the case of a part-
5 nership or S corporation, the election under sub-
6 section (e)(3)(A)(iii) shall be made separately by
7 each partner or shareholder.

8 (b) CORPORATIONS.—

9 (1) IN GENERAL.—In the case of any qualified
10 hurricane disaster contribution, notwithstanding sec-
11 tion 170(b) of such Code, the total amount of such
12 contributions which may be taken into account
13 under section 170(a) of such Code shall not exceed
14 the excess of—

15 (A) 20 percent of the taxpayer's taxable
16 income, over

17 (B) the amount of charitable contributions
18 allowed under section 170(b)(2)(A) of such
19 Code.

20 (2) CARRYOVER.—If the aggregate amount of
21 contributions described in paragraph (1) exceeds the
22 limitation under such paragraph, such excess shall
23 be treated (in a manner consistent with the rules of
24 section 170(d)(1) of such Code) as a charitable con-

1 tribution to which paragraph (1) applies in each of
2 the 5 succeeding years in order of time.

3 (3) COORDINATION WITH DEDUCTION FOR
4 CHARITABLE CONTRIBUTIONS.—For purposes of ap-
5 plying this paragraph and sections 170(b)(2) of such
6 Code, contributions described in paragraph (1) shall
7 not be treated as described in subparagraph (A),
8 (B), or (C) of section 170(b)(2) of such Code and
9 such subparagraphs shall be applied without regard
10 to such contributions.

11 (c) DEDUCTION ALLOWED ABOVE THE LINE.—In
12 the case of an individual—

13 (1) the standard deduction otherwise deter-
14 mined under section 63 of such Code shall be in-
15 creased by so much of the deduction allowed under
16 section 170 of such Code as would not be so allowed
17 if determined without regard to this section, and

18 (2) section 56(b)(1)(D) of such Code shall not
19 apply to so much of the standard deduction as is at-
20 tributable to the increase under paragraph (1).

21 (d) CONTRIBUTIONS TREATED AS MADE IN PRIOR
22 YEAR.—For purposes of this section, a taxpayer may treat
23 any qualified hurricane disaster contribution which is paid
24 after December 31, 2024, and on or before April 15, 2025,

1 as if such contribution was made on December 31, 2024,
2 and not in 2025.

3 (e) DEFINITIONS.—For purposes of this section—

4 (1) CHARITABLE CONTRIBUTION.—The term
5 “charitable contribution” has the meaning given
6 such term in section 170(c) of such Code.

7 (2) CONTRIBUTION BASE.—The term “con-
8 tribution base” has the meaning given such term in
9 section 170(b)(1)(H) of such Code.

10 (3) QUALIFIED HURRICANE DISASTER CON-
11 TRIBUTION.—

12 (A) IN GENERAL.—The term “qualified
13 hurricane disaster contribution” means any
14 charitable contribution if—

15 (i) such contribution—

16 (I) is paid on or after the first
17 day of the incident period and before
18 December 31, 2025, in cash to an or-
19 ganization described in section
20 170(b)(1)(A) of such Code, and

21 (II) is made for relief efforts in a
22 qualified hurricane disaster area re-
23 lated to Hurricane Helene or Hurri-
24 cane Milton,

1 (ii) the taxpayer obtains from such or-
2 ganization contemporaneous written ac-
3 knowledgment (within the meaning of sec-
4 tion 170(f)(8) of such Code) that such con-
5 tribution was used (or is to be used) for
6 relief efforts in a qualified hurricane dis-
7 aster area related to Hurricane Helene or
8 Hurricane Milton, and

9 (iii) the taxpayer has elected the ap-
10 plication of this section with respect to
11 such contribution.

12 (B) EXCEPTION.—A qualified hurricane
13 disaster contribution shall not include a con-
14 tribution by a donor if the contribution is—

15 (i) to an organization described in sec-
16 tion 509(a)(3) of such Code, or

17 (ii) for establishment of a new, or
18 maintenance of an existing, donor advised
19 fund (as defined in section 4966(d)(2) of
20 such Code).

21 **SEC. 5. HURRICANE-RELATED PERSONAL CASUALTY**
22 **LOSSES.**

23 (a) IN GENERAL.—If an individual has a net disaster
24 loss for any taxable year—

1 (1) the amount determined under section
2 165(h)(2)(A)(ii) of the Internal Revenue Code of
3 1986 shall be equal to the sum of—

4 (A) such net disaster loss, and

5 (B) so much of the excess referred to in
6 the matter preceding clause (i) of section
7 165(h)(2)(A) of such Code (reduced by the
8 amount in subparagraph (A) of this paragraph)
9 as exceeds 10 percent of the adjusted gross in-
10 come (as defined in section 62 of such Code) of
11 the individual,

12 (2) in the case of qualified hurricane disaster-
13 related personal casualty losses, section 165(h)(1) of
14 such Code shall be applied to by substituting
15 “\$500” for “ \$500 (\$100 for taxable years begin-
16 ning after December 31, 2009)”,

17 (3) the standard deduction determined under
18 section 63(c) of such Code shall be increased by the
19 net disaster loss, and

20 (4) section 56(b)(1)(D) of such Code shall not
21 apply to so much of the standard deduction as is at-
22 tributable to the increase under paragraph (3).

23 (b) NET DISASTER LOSS.—For purposes of this sub-
24 section, the term “net disaster loss” means the excess of
25 qualified hurricane disaster-related personal casualty

1 losses over personal casualty gains (as defined in section
2 165(h)(3)(A) of such Code).

3 (c) QUALIFIED HURRICANE DISASTER-RELATED
4 PERSONAL CASUALTY LOSSES.—For purposes of this sub-
5 section, the term “qualified hurricane disaster-related per-
6 sonal casualty losses” means losses described in section
7 165(c)(3) of such Code which arise in a qualified hurri-
8 cane disaster area on or after the first day of the incident
9 period, and which are attributable to Hurricane Helen or
10 Hurricane Milton.

11 **SEC. 6. SPECIAL HURRICANE DISASTER-RELATED RULES**
12 **FOR USE OF RETIREMENT FUNDS.**

13 (a) TAX-FAVORED WITHDRAWALS FROM RETIRE-
14 MENT PLANS.—

15 (1) IN GENERAL.—Section 72(t) of the Internal
16 Revenue Code of 1986 shall not apply to any quali-
17 fied hurricane disaster distribution.

18 (2) AGGREGATE DOLLAR LIMITATION.—

19 (A) IN GENERAL.—For purposes of this
20 subsection, the aggregate amount of distribu-
21 tions received by an individual which may be
22 treated as qualified hurricane disaster distribu-
23 tions for any taxable year shall not exceed the
24 excess (if any) of—

25 (i) \$100,000, over

1 (ii) the aggregate amounts treated as
2 qualified hurricane disaster distributions
3 received by such individual for all prior
4 taxable years.

5 (B) TREATMENT OF PLAN DISTRIBUTIONS.—If a distribution to an individual would
6 (without regard to subparagraph (A)) be a
7 qualified hurricane disaster distribution, a plan
8 shall not be treated as violating any require-
9 ment of such Code merely because the plan
10 treats such distribution as a qualified hurricane
11 disaster distribution, unless the aggregate
12 amount of such distributions from all plans
13 maintained by the employer (and any member
14 of any controlled group which includes the em-
15 ployer) to such individual exceeds \$100,000.

17 (C) CONTROLLED GROUP.—For purposes
18 of subparagraph (B), the term “controlled
19 group” means any group treated as a single
20 employer under subsection (b), (c), (m), or (o)
21 of section 414 of such Code.

22 (3) AMOUNT DISTRIBUTED MAY BE REPAYED.—

23 (A) IN GENERAL.—Any individual who re-
24 ceives a qualified hurricane disaster distribution
25 may, at any time during the 3-year period be-

1 ginning on the day after the date on which such
2 distribution was received, make 1 or more con-
3 tributions in an aggregate amount not to exceed
4 the amount of such distribution to an eligible
5 retirement plan of which such individual is a
6 beneficiary and to which a rollover contribution
7 of such distribution could be made under sec-
8 tion 402(e), 403(a)(4), 403(b)(8), 408(d)(3), or
9 457(e)(16), of such Code, as the case may be.

10 (B) TREATMENT OF REPAYMENTS OF DIS-
11 TRIBUTIONS FROM ELIGIBLE RETIREMENT
12 PLANS OTHER THAN IRAS.—For purposes of
13 such Code, if a contribution is made pursuant
14 to subparagraph (A) with respect to a qualified
15 hurricane disaster distribution from an eligible
16 retirement plan other than an individual retire-
17 ment plan, then the taxpayer shall, to the ex-
18 tent of the amount of the contribution, be treat-
19 ed as having received the qualified hurricane
20 disaster distribution in an eligible rollover dis-
21 tribution (as defined in section 402(c)(4) of
22 such Code) and as having transferred the
23 amount to the eligible retirement plan in a di-
24 rect trustee to trustee transfer within 60 days
25 of the distribution.

1 (C) TREATMENT OF REPAYMENTS OF DIS-
2 TRIBUTIONS FROM IRAS.—For purposes of such
3 Code, if a contribution is made pursuant to
4 subparagraph (A) with respect to a qualified
5 hurricane disaster distribution from an indi-
6 vidual retirement plan (as defined by section
7 7701(a)(37) of such Code), then, to the extent
8 of the amount of the contribution, the qualified
9 hurricane disaster distribution shall be treated
10 as a distribution described in section 408(d)(3)
11 of such Code and as having been transferred to
12 the eligible retirement plan in a direct trustee
13 to trustee transfer within 60 days of the dis-
14 tribution.

15 (4) DEFINITIONS.—For purposes of this sub-
16 section—

17 (A) QUALIFIED HURRICANE DISASTER DIS-
18 TRIBUTION.—Except as provided in paragraph
19 (2), the term “qualified hurricane disaster dis-
20 tribution” means any distribution from an eligi-
21 ble retirement plan made—

22 (i) on or after the first day of the in-
23 cident period and before December 31,
24 2025, and

25 (ii) to an eligible individual.

1 (B) ELIGIBLE RETIREMENT PLAN.—The
2 term “eligible retirement plan” shall have the
3 meaning given such term by section
4 402(c)(8)(B) of such Code.

5 (5) INCOME INCLUSION SPREAD OVER 3-YEAR
6 PERIOD.—

7 (A) IN GENERAL.—In the case of any
8 qualified hurricane disaster distribution, unless
9 the taxpayer elects not to have this paragraph
10 apply for any taxable year, any amount re-
11 quired to be included in gross income for such
12 taxable year shall be so included ratably over
13 the 3-taxable-year period beginning with such
14 taxable year.

15 (B) SPECIAL RULE.—For purposes of sub-
16 paragraph (A), rules similar to the rules of sec-
17 tion 408A(d)(3)(E) of such Code shall apply.

18 (6) SPECIAL RULES.—

19 (A) EXEMPTION OF DISTRIBUTIONS FROM
20 TRUSTEE TO TRUSTEE TRANSFER AND WITH-
21 HOLDING RULES.—For purposes of sections
22 401(a)(31), 402(f), and 3405 of such Code,
23 qualified hurricane disaster distributions shall
24 not be treated as eligible rollover distributions.

1 (B) QUALIFIED HURRICANE DISASTER DIS-
2 TRIBUTIONS TREATED AS MEETING PLAN DIS-
3 TRIBUTION REQUIREMENTS.—For purposes of
4 such Code, a qualified hurricane disaster dis-
5 tribution shall be treated as meeting the re-
6 quirements of sections 401(k)(2)(B)(i),
7 403(b)(7)(A)(i), 403(b)(11), and 457(d)(1)(A)
8 of such Code and section 8433(h)(1) of title 5,
9 United States Code, and, in the case of a
10 money purchase pension plan, a qualified hurri-
11 cane disaster distribution which is an in-service
12 withdrawal shall be treated as meeting the dis-
13 tribution rules of section 401(a) of such Code.

14 (b) RECONTRIBUTIONS OF WITHDRAWALS FOR
15 HOME PURCHASES.—

16 (1) RECONTRIBUTIONS.—

17 (A) IN GENERAL.—Any individual who re-
18 ceived a qualified distribution may, during the
19 applicable period, make 1 or more contributions
20 in an aggregate amount not to exceed the
21 amount of such qualified distribution to an eli-
22 gible retirement plan (as defined in section
23 402(c)(8)(B) of such Code) of which such indi-
24 vidual is a beneficiary and to which a rollover
25 contribution of such distribution could be made

1 under section 402(c), 403(a)(4), 403(b)(8), or
2 408(d)(3), of such Code, as the case may be.

3 (B) TREATMENT OF REPAYMENTS.—Rules
4 similar to the rules of subparagraphs (B) and
5 (C) of subsection (a)(3) shall apply for purposes
6 of this subsection.

7 (2) QUALIFIED DISTRIBUTION.—For purposes
8 of this subsection, the term “qualified distribution”
9 means any distribution—

10 (A) described in section
11 401(k)(2)(B)(i)(IV), 403(b)(7)(A)(i)(V),
12 403(b)(11)(B), or 72(t)(2)(F), of such Code,

13 (B) which was to be used to purchase or
14 construct a principal residence in a qualified
15 hurricane disaster area, but which was not so
16 used on account of Hurricane Helene or Hurri-
17 cane Milton, and

18 (C) which was received during the period
19 beginning on the date which is 180 days before
20 the first day of the incident period and ending
21 on the date which is 30 days after the last day
22 of such incident period.

23 (3) APPLICABLE PERIOD.—For purposes of this
24 subsection, the term “applicable period” means, in
25 the case of a principal residence in a qualified hurri-

1 cane disaster area, the period beginning on the first
2 day of the incident period and ending on December
3 31, 2025.

4 (c) LOANS FROM QUALIFIED PLANS.—

5 (1) INCREASE IN LIMIT ON LOANS NOT TREAT-
6 ED AS DISTRIBUTIONS.—In the case of any loan
7 from a qualified employer plan (as defined under
8 section 72(p)(4) of such Code) to an eligible indi-
9 vidual made during the period beginning on the date
10 of the enactment of this Act and ending on June 30,
11 2024—

12 (A) section 72(p)(2)(A)(i) of such Code
13 shall be applied by substituting “ \$100,000” for
14 “ \$50,000”, and

15 (B) clause (ii) of such section shall be ap-
16 plied by substituting “the present value of the
17 nonforfeitable accrued benefit of the employee
18 under the plan” for “one-half of the present
19 value of the nonforfeitable accrued benefit of
20 the employee under the plan”.

21 (2) DELAY OF REPAYMENT.—In the case of an
22 eligible individual with an outstanding loan (on or
23 after the first day of the incident period) from a
24 qualified employer plan (as defined in section
25 72(p)(4) of such Code)—

1 (A) if the due date pursuant to subpara-
2 graph (B) or (C) of section 72(p)(2) of such
3 Code for any repayment with respect to such
4 loan occurs during the period beginning on the
5 first day of the incident period and ending on
6 the date which is 180 days after the last day
7 of such incident period, such due date shall be
8 delayed for 1 year (or, if later, until December
9 31, 2025),

10 (B) any subsequent repayments with re-
11 spect to any such loan shall be appropriately
12 adjusted to reflect the delay in the due date
13 under subparagraph (A) and any interest accru-
14 ing during such delay, and

15 (C) in determining the 5-year period and
16 the term of a loan under subparagraph (B) or
17 (C) of section 72(p)(2) of such Code, the period
18 described in subparagraph (A) of this para-
19 graph shall be disregarded.

20 (d) PROVISIONS RELATING TO PLAN AMEND-
21 MENTS.—

22 (1) IN GENERAL.—If this subsection applies to
23 any amendment to any plan or annuity contract,
24 such plan or contract shall be treated as being oper-

1 ated in accordance with the terms of the plan during
2 the period described in paragraph (2)(B)(i).

3 (2) AMENDMENTS TO WHICH SUBSECTION AP-
4 PLIES.—

5 (A) IN GENERAL.—This subsection shall
6 apply to any amendment to any plan or annuity
7 contract which is made—

8 (i) pursuant to any provision of this
9 section, or pursuant to any regulation
10 issued by the Secretary or the Secretary of
11 Labor under any provision of this section,
12 and

13 (ii) on or before the last day of the
14 first plan year beginning on or after Janu-
15 ary 1, 2025, or such later date as the Sec-
16 retary may prescribe.

17 In the case of a governmental plan (as defined
18 in section 414(d) of such Code), clause (ii) shall
19 be applied by substituting the date which is 2
20 years after the date otherwise applied under
21 clause (ii).

22 (B) CONDITIONS.—This subsection shall
23 not apply to any amendment unless—

24 (i) during the period—

1 (I) beginning on the date that
2 this section or the regulation de-
3 scribed in subparagraph (A)(i) takes
4 effect (or in the case of a plan or con-
5 tract amendment not required by this
6 section or such regulation, the effec-
7 tive date specified by the plan), and
8 (II) ending on the date described
9 in subparagraph (A)(ii) (or, if earlier,
10 the date the plan or contract amend-
11 ment is adopted),
12 the plan or contract is operated as if such plan
13 or contract amendment were in effect, and
14 (ii) such plan or contract amendment
15 applies retroactively for such period.

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