

118TH CONGRESS
1ST SESSION

H. R. 5341

To exclude from gross income certain assistance provided to farmers, and
for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 5, 2023

Ms. ADAMS (for herself, Mr. KILDEE, Mr. SCOTT of Virginia, Mr. DAVIS of North Carolina, Ms. BUSH, Mr. BISHOP of Georgia, Ms. PINGREE, Ms. STRICKLAND, Ms. SEWELL, Ms. McCLELLAN, and Mr. NICKEL) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To exclude from gross income certain assistance provided
to farmers, and for other purposes.

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 “Family Farmer and
5 Rancher Tax Fairness Act of 2023”.

6 **SEC. 2. TAX TREATMENT OF CERTAIN ASSISTANCE TO**
7 **FARMERS, ETC.**

8 For purposes of the Internal Revenue Code of 1986,
9 in the case of any payment described in section 1006(e)

1 of the American Rescue Plan Act of 2021 (as amended
2 by section 22007 of Public Law 117–169) or section
3 22006 of Public Law 117–169—

4 (1) such payment shall not be included in the
5 gross income of the person on whose behalf, or to
6 whom, such payment is made,

7 (2) no deduction shall be denied, no tax at-
8 tribute shall be reduced, and no basis increase shall
9 be denied, by reason of the exclusion from gross in-
10 come provided by paragraph (1), and

11 (3) in the case of a partnership or S corpora-
12 tion on whose behalf, or to whom, such a payment
13 is made—

14 (A) any amount excluded from income by
15 reason of paragraph (1) shall be treated as tax
16 exempt income for purposes of sections 705 and
17 1366 of such Code, and

18 (B) except as provided by the Secretary of
19 the Treasury (or the Secretary’s delegate), any
20 increase in the adjusted basis of a partner’s in-
21 terest in a partnership under section 705 of
22 such Code with respect to any amount described
23 in subparagraph (A) shall equal the partner’s
24 distributive share of deductions resulting from
25 interest that is part of such payment and the

1 partner's share, as determined under section
2 752 of such Code, of principal that is part of
3 such payment.

○