



Legislative Bulletin.....December 8, 2006

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H.R. 6111—Amendment to the bill to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending

H.R. 6111—Amendment to the bill to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending—as offered (Tauscher, D-CA)

Order of Business: The bill is scheduled to be considered on Friday, December 8th, subject to the special rule H.Res. 1099, which would:

- Bring up the Senate-passed version of H.R. 6111;
- Allow for a Rep. Bill Thomas motion to strike the whole Senate text and insert a brand new text of H.R. 6111 (details below);
- Provide one hour of debate on the motion; and
- Provide for one motion to amend the Rep. Bill Thomas motion.

Summary: The brand new text of H.R. 6111 that would replace the Senate text includes:

- The complete text of H.R. 6408 (the Tax Relief and Health Care Act summarized in a separate RSC Legislative Bulletin last evening, including the Abandoned Mine Land Fund, the Medicare “doc fix,” tax extenders, HSAs, OCS, etc.);
- The text of S. 3772, a Sen. John Ensign (R-NV) bill regarding White Pine County, Nevada wilderness conservation, recreation, and development (see further details below);
- Sen. Arlen Specter (R-PA) and Rep. Rob Simmons (R-CT) language providing temporary duty reductions (through the end of 2009) for certain cotton shirting fabric and creating a Pima Cotton Trust Fund, funded by up to \$16 million a year from the general fund of the U.S. Treasury (an amount equivalent to the duties on certain cotton received by the Treasury since 1994). Money in the fund would be distributed among eligible yarn spinners and shirt manufacturers, and to a nationally recognized

association established to promote the growth of pima cotton in the United States. The fund terminates October 1, 2008. (See H.R. 6018 and S. 3344).

- A provision that allows Medicare beneficiaries who are enrolled in traditional fee-for-service, but not enrolled in a prescription drug plan, to enroll in a Medicare Advantage plan that does not offer drug coverage after their enrollment period ends. These beneficiaries would be allowed to make this change once during the year, after their enrollment period had ended. This provision would sunset in two years.
- The text of H.R. 6111, as passed by the House on December 5th. This language would amend the Internal Revenue Code of 1986 by adding several provisions favorable to innocent spouses seeking equitable relief from tax liability for understatements of tax liability on joint tax returns by a divorced or separated spouse, including:
 - Allowing the innocent spouse to petition the Tax Court to determine the appropriate relief after the innocent spouse has petitioned the Secretary of the Treasury for equitable relief;
 - Delaying levies or proceedings for collections in the tax court for 90 days once the innocent spouse requests equitable relief; and
 - Allowing an innocent spouse to enjoin any levy or proceeding during the 90 day period for the amount of tax relief to which the innocent spouse may be entitled.

Highlights of the Nevada wilderness language mentioned above are as follows:

- Directs the Secretary of the Interior to conduct sales of certain Bureau of Land Management (BLM) land in White Pine County, Nevada.
- Designates certain federal land in Nevada as wilderness components of the National Wilderness Preservation System.
- Transfers administrative jurisdiction over certain lands from BLM to the U.S. Fish and Wildlife Service and from the National Forest Service to BLM.
- Directs the Secretary to convey certain land to the state of Nevada if the state and the county concerned enter into an agreement supporting such conveyance.
- Directs the Secretary to convey certain land to White Pine County, Nevada, to be used for the expansion of White Pine County airport and White Pine County Industrial Park.
- Transfers certain land to the Ely Shoshone Indian Tribe.
- Directs the Secretaries of Agriculture and of the Interior to carry out the Eastern Nevada Landscape Restoration Project to restore certain lands in White Pine and Lincoln Counties in Nevada.
- Establishes the Great Basin National Heritage Route to provide public access to certain resources in White Pine County, Nevada; Millard County, Utah; and the Duckwater Shoshone Reservation in Nevada.

Committee Action: This amendment to H.R. 6111 was provided by the Rules Committee and not referred to any other committee.

Cost to Taxpayers: A cost estimate for the amendment to H.R. 6111 is unavailable; however, see yesterday's RSC Legislative Bulletin for H.R. 6408 for cost estimates of the bulk of the H.R. 6111 amendment.

Does the Bill Expand the Size and Scope of the Federal Government?: See RSC Legislative Bulletin for H.R. 6408.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: See RSC Legislative Bulletin for H.R. 6408.

Constitutional Authority: See RSC Legislative Bulletin for H.R. 6408.

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