

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3957
OFFERED BY MR. BRADY OF TEXAS**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Emergency Citrus Dis-
3 ease Response Act of 2016”.

**4 SEC. 2. EXPENSING OF CERTAIN COSTS OF REPLANTING
5 CITRUS PLANTS LOST BY REASON OF CAS-
6 UALTY.**

7 (a) IN GENERAL.—Section 263A(d)(2) of the Inter-
8 nal Revenue Code of 1986 is amended by adding at the
9 end the following new subparagraph:

10 “(C) SPECIAL TEMPORARY RULE FOR CIT-
11 RUS PLANTS LOST BY REASON OF CASUALTY.—

12 “(i) IN GENERAL.—In the case of the
13 replanting of citrus plants, subparagraph
14 (A) shall apply to amounts paid or in-
15 curred by a person (other than the tax-
16 payer described in subparagraph (A)) if—

17 “(I) the taxpayer described in
18 subparagraph (A) has an equity inter-

1 est of not less than 50 percent in the
2 replanted citrus plants at all times
3 during the taxable year in which such
4 amounts were paid or incurred and
5 such other person holds any part of
6 the remaining equity interest, or

7 “(II) such other person acquired
8 the entirety of such taxpayer’s equity
9 interest in the land on which the lost
10 or damaged citrus plants were located
11 at the time of such loss or damage,
12 and the replanting is on such land.

13 “(ii) TERMINATION.—Clause (i) shall
14 not apply to any cost paid or incurred
15 after December 31, 2025.”.

16 (b) EFFECTIVE DATE.—The amendment made by
17 this section shall apply to costs paid or incurred after the
18 date of the enactment of this Act.

