

115TH CONGRESS
2D SESSION

H. R. 5669

To amend the Internal Revenue Code of 1986 and the Small Business Act to reduce costs for certain businesses required to relocate from a Superfund site, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 1, 2018

Ms. VELÁZQUEZ (for herself, Mr. GRIJALVA, Ms. LEE, Mr. VISCLOSKY, Ms. BARRAGÁN, Mr. GUTIÉRREZ, Ms. BORDALLO, Ms. NORTON, Ms. SHEAPORTER, Mr. SIRES, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. SCOTT of Virginia, Ms. MCCOLLUM, Mrs. WATSON COLEMAN, Ms. JACKSON LEE, Mr. MCGOVERN, and Mr. ESPAILLAT) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Small Business, 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

A BILL

To amend the Internal Revenue Code of 1986 and the Small Business Act to reduce costs for certain businesses required to relocate from a Superfund site, 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 “Superfund Enhance-
5 ment Act of 2018”.

1 **SEC. 2. RENEWAL OF SUPERFUND FINANCING RATE.**

2 (a) IN GENERAL.—Section 4611 of the Internal Rev-
3 enue Code of 1986 is amended by striking subsection (e).

4 (b) EFFECTIVE DATE.—The amendment made by
5 this section shall take effect on January 1, 2018.

6 **SEC. 3. DEDUCTION FOR EXPENSES IN CONNECTION WITH**
7 **MOVING FROM A SITE LISTED ON NATIONAL**
8 **PRIORITIES LIST.**

9 (a) IN GENERAL.—Part VI of subchapter B of chap-
10 ter 1 of the Internal Revenue Code of 1986 is amended
11 by inserting after section 198 the following new section:

12 **“SEC. 198A. EXPENSES IN CONNECTION WITH MOVING**
13 **FROM A SITE LISTED ON NATIONAL PRIOR-**
14 **ITIES LIST.**

15 “(a) IN GENERAL.—A qualified small business may
16 elect to treat as an expense which is not chargeable to
17 capital account, and deductible in the year in which paid
18 or incurred, so much of the qualified environmental dis-
19 aster moving expenses which are paid or incurred by the
20 taxpayer for the taxable year as do not exceed \$10,000.

21 “(b) QUALIFIED SMALL BUSINESS.—For purposes of
22 this section, the term ‘qualified small business’ means any
23 person which is a small business concern (as defined under
24 section 3 of the Small Business Act (15 U.S.C. 632)) at
25 all times during the preceding taxable year.

1 “(c) QUALIFIED ENVIRONMENTAL DISASTER MOV-
2 ING EXPENSE.—For purposes of this section, the term
3 ‘qualified environmental disaster moving expense’ means
4 any expenditure—

5 “(1) which is otherwise chargeable to capital ac-
6 count, and

7 “(2) which is paid or incurred in connection
8 with relocating a trade or business carried on in a
9 location which is situated on, or adjacent to, a site
10 which is on, or proposed for, the national priorities
11 list under section 105(a)(8)(B) of the Comprehen-
12 sive Environmental Response, Compensation, and
13 Liability Act of 1980.

14 “(d) SPECIAL RULES.—For purposes of this sec-
15 tion—

16 “(1) POTENTIALLY RESPONSIBLE PARTIES EX-
17 CLUDED.—No amount shall be taken into account
18 under subsection (a) by a person who under section
19 107(a) of the Comprehensive Environmental Re-
20 sponse, Compensation, and Liability Act of 1980 is
21 potentially liable with respect to the site described in
22 subsection (c)(2).

23 “(2) CONTROLLED GROUPS.—All members of
24 the same controlled group of corporations (within
25 the meaning of section 52(a)) and all persons under

1 common control (within the meaning of section
2 52(b)) shall be treated as 1 person for purposes of
3 this section.

4 “(3) PARTNERSHIPS AND S CORPORATIONS.—In
5 the case of a partnership, the \$10,000 limitation
6 under subsection (a) shall apply with respect to the
7 partnership and each partner. A similar rule shall
8 apply in the case of an S corporation and its share-
9 holders.

10 “(4) DENIAL OF DOUBLE BENEFIT.—In the
11 case of the amount of the deduction determined
12 under this section—

13 “(A) no deduction or credit shall be al-
14 lowed for such amount under any other provi-
15 sion of this chapter, and

16 “(B) no increase in the adjusted basis of
17 any property shall result from such amount.”.

18 (b) CLERICAL AMENDMENT.—The table of sections
19 for part VI of subchapter B of chapter 1 of such Code
20 is amended by inserting after the item relating to section
21 198 the following new item:

“Sec. 198A. Expenses in connection with moving from a site listed on national
priorities list.”.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to amounts paid or incurred in tax-

1 able years beginning after the date of the enactment of
2 this Act.

3 **SEC. 4. DISASTER LOANS TO SMALL BUSINESS CONCERNS**
4 **FOR RELOCATION FROM A SUPERFUND SITE.**

5 (a) **ESTABLISHMENT.**—The Administrator shall es-
6 tablish and carry out a pilot program under which the Ad-
7 ministrator shall provide direct loans to an eligible person
8 to assist such eligible person in relocating the principal
9 place of business or primary place of residence of such
10 eligible person, if the principal place of business or pri-
11 mary place of residence is located in an area that is des-
12 ignated as a Superfund site on a date after—

13 (1) with respect to an eligible person that is a
14 small business concern, the establishment of the
15 principal place of business; or

16 (2) with respect to an eligible person that is an
17 individual, the establishment of a primary place of
18 residence.

19 (b) **LOAN TERMS.**—A loan made under the program
20 established under subsection (a) shall—

21 (1) be subject to the same limitations as a loan
22 described under section 7(b)(8) of the Small Busi-
23 ness Act (15 U.S.C. 636(b)(8)); and

24 (2) have a term of 5 years.

1 (c) ELIGIBILITY FOR ECONOMIC INJURY DISASTER
2 LOANS.—

3 (1) IN GENERAL.—The Administrator may
4 make a loan pursuant to section 7(b)(2) of the
5 Small Business Act (15 U.S.C. 636(b)(2)) to assist
6 an eligible person that is a small business concern
7 that has suffered substantial economic injury as a
8 result of the location of the eligible person in a
9 Superfund site.

10 (2) NO DUPLICATION OF BENEFITS.—An eligi-
11 ble person described in paragraph (1) may receive a
12 loan under subsection (a) and section 7(b)(2) of the
13 Small Business Act (15 U.S.C. 636(b)(2)).

14 (3) POTENTIALLY RESPONSIBLE PARTIES EX-
15 CLUDED.—No loan may be made to a person who
16 under section 107(a) of the Comprehensive Environ-
17 mental Response, Compensation, and Liability Act
18 of 1980 is potentially liable with respect to the
19 Superfund site.

20 (d) DEFINITIONS.—In this section:

21 (1) ELIGIBLE PERSON.—The term “eligible per-
22 son” means—

23 (A) a small business concern (as defined
24 under section 3 of the Small Business Act (15
25 U.S.C. 632)) for which the principal place of

1 business of the concern is required to relocate
2 because such concern is located on or near a
3 Superfund site; or

4 (B) an individual whose primary place of
5 residence is located on or adjacent to a Super-
6 fund site.

7 (2) SUBSTANTIAL ECONOMIC INJURY.—The
8 term “substantial economic injury” has the meaning
9 given under section 7(b)(3) of the Small Business
10 Act (15 U.S.C. 636(b)(3)).

11 (3) SUPERFUND SITE.—The term “Superfund
12 site” means a site that is included on the National
13 Priorities List developed by the President in accord-
14 ance with section 105(a)(8)(B) of the Comprehen-
15 sive Environmental Response, Compensation, and
16 Liability Act of 1980 (42 U.S.C. 9605(a)(8)(B)).

17 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
18 authorized to be appropriated to the Administrator
19 \$10,000,000 for fiscal years 2019 through 2023.

20 **SEC. 5. ELIGIBILITY FOR ECONOMIC INJURY LOANS.**

21 Section 7(b) of the Small Business Act (15 U.S.C.
22 636(b)) is amended—

23 (1) in paragraph (2), by inserting “to any eligi-
24 ble concern pursuant to paragraph (16), or”; and

1 (2) by inserting after paragraph (15) the fol-
2 lowing new paragraph:

3 “(16) ECONOMIC INJURY LOANS FOR ELIGIBLE
4 CONCERNS.—

5 “(A) IN GENERAL.—The Administrator
6 may make a loan under paragraph (2) to an eli-
7 gible concern regardless of whether a disaster
8 has occurred in the area in which the eligible
9 concern is located.

10 “(B) DEFINITIONS.—

11 “(i) ELIGIBLE CONCERN.—The term
12 ‘eligible concern’ means a small business
13 concern for which the principal place of
14 business of the concern is required to relo-
15 cate because such concern is located on or
16 near a Superfund site.

17 “(ii) SUPERFUND SITE.—The term
18 ‘Superfund site’ means a site that is in-
19 cluded on the National Priorities List de-
20 veloped by the President in accordance
21 with section 105(a)(8)(B) of the Com-
22 prehensive Environmental Response, Com-
23 pensation, and Liability Act of 1980 (42
24 U.S.C. 9605(a)(8)(B)).”.

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