

110TH CONGRESS  
1ST SESSION

# H. R. 4195

To amend the Internal Revenue Code of 1986 to make technical corrections,  
and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 15, 2007

Mr. RANGEL (for himself and Mr. McCRERY) introduced the following bill;  
which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to make  
technical corrections, 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; AMENDMENT OF 1986 CODE;**

4 **TABLE OF CONTENTS.**

5 (a) SHORT TITLE.—This Act may be cited as the  
6 “Tax Technical Corrections Act of 2007”.

7 (b) AMENDMENT OF 1986 CODE.—Except as other-  
8 wise expressly provided, whenever in this Act an amend-  
9 ment or repeal is expressed in terms of an amendment  
10 to, or repeal of, a section or other provision, the reference

1 shall be considered to be made to a section or other provi-  
 2 sion of the Internal Revenue Code of 1986.

3 (c) TABLE OF CONTENTS.—The table of contents of  
 4 this Act is as follows:

- Sec. 1. Short title; amendment of 1986 Code; table of contents.
- Sec. 2. Amendment related to the Tax Relief and Health Care Act of 2006.
- Sec. 3. Amendments related to title XII of the Pension Protection Act of 2006.
- Sec. 4. Amendments related to the Tax Increase Prevention and Reconciliation Act of 2005.
- Sec. 5. Amendments related to the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users.
- Sec. 6. Amendments related to the Energy Policy Act of 2005.
- Sec. 7. Amendments related to the American Jobs Creation Act of 2004.
- Sec. 8. Amendment related to the Jobs and Growth Tax Relief Reconciliation Act of 2003.
- Sec. 9. Amendments related to the Economic Growth and Tax Relief Reconciliation Act of 2001.
- Sec. 10. Amendments related to the Tax Relief Extension Act of 1999.
- Sec. 11. Amendment related to the Internal Revenue Service Restructuring and Reform Act of 1998.
- Sec. 12. Clerical corrections.

5 **SEC. 2. AMENDMENT RELATED TO THE TAX RELIEF AND**  
 6 **HEALTH CARE ACT OF 2006.**

7 (a) AMENDMENT RELATED TO SECTION 402 OF DI-  
 8 VISION A OF THE ACT.—Subparagraph (A) of section  
 9 53(e)(2) is amended to read as follows:

10 “(A) IN GENERAL.—The term ‘AMT re-  
 11 fundable credit amount’ means, with respect to  
 12 any taxable year, the amount (not in excess of  
 13 the long-term unused minimum tax credit for  
 14 such taxable year) equal to the greater of—

15 “(i) \$5,000,

1                   “(ii) 20 percent of the long-term un-  
2                   used minimum tax credit for such taxable  
3                   year, or

4                   “(iii) the amount (if any) of the AMT  
5                   refundable credit amount determined  
6                   under this paragraph for the taxpayer’s  
7                   preceding taxable year (as determined be-  
8                   fore any reduction under subparagraph  
9                   (B)).”.

10           (b) EFFECTIVE DATE.—The amendment made by  
11 this section shall take effect as if included in the provision  
12 of the Tax Relief and Health Care Act of 2006 to which  
13 it relates.

14 **SEC. 3. AMENDMENTS RELATED TO TITLE XII OF THE PEN-**  
15 **SION PROTECTION ACT OF 2006.**

16           (a) AMENDMENT RELATED TO SECTION 1201 OF  
17 THE ACT.—Subparagraph (D) of section 408(d)(8) is  
18 amended by striking “all amounts distributed from all in-  
19 dividual retirement plans were treated as 1 contract under  
20 paragraph (2)(A) for purposes of determining the inclu-  
21 sion of such distribution under section 72” and inserting  
22 “all amounts in all individual retirement plans of the indi-  
23 vidual were distributed during such taxable year and all  
24 such plans were treated as 1 contract for purposes of de-

1 terminating under section 72 the aggregate amount which  
2 would have been so includible”.

3 (b) AMENDMENT RELATED TO SECTION 1203 OF  
4 THE ACT.—Subsection (d) of section 1366 is amended by  
5 adding at the end the following new paragraph:

6 “(4) APPLICATION OF LIMITATION ON CHARITABLE CONTRIBUTIONS.—In the case of any charitable contribution of property to which the second sentence of section 1367(a)(2) applies, paragraph (1) shall not apply to the extent of the excess (if any) of—

12 “(A) the shareholder’s pro rata share of  
13 such contribution, over

14 “(B) the shareholder’s pro rata share of  
15 the adjusted basis of such property.”.

16 (c) AMENDMENT RELATED TO SECTION 1215 OF  
17 THE ACT.—Subclause (I) of section 170(e)(7)(D)(i) is  
18 amended by striking “related” and inserting “substantial  
19 and related”.

20 (d) AMENDMENTS RELATED TO SECTION 1218 OF  
21 THE ACT.—

22 (1) Section 2055 is amended by striking subsection (g) and by redesignating subsection (h) as  
23 subsection (g).  
24

1           (2) Subsection (e) of section 2522 is amend-  
2 ed—

3                   (A) by striking paragraphs (2) and (4),

4                   (B) by redesignating paragraph (3) as  
5 paragraph (2), and

6                   (C) by adding at the end of paragraph (2),  
7 as so redesignated, the following new subpara-  
8 graph:

9                   “(C) INITIAL FRACTIONAL CONTRIBU-  
10 TION.—For purposes of this paragraph, the  
11 term ‘initial fractional contribution’ means,  
12 with respect to any donor, the first gift of an  
13 undivided portion of the donor’s entire interest  
14 in any tangible personal property for which a  
15 deduction is allowed under subsection (a) or  
16 (b).”.

17           (e) AMENDMENTS RELATED TO SECTION 1219 OF  
18 THE ACT.—

19                   (1) Paragraph (2) of section 6695A(a) is  
20 amended by inserting “a substantial estate or gift  
21 tax valuation understatement (within the meaning of  
22 section 6662(g)),” before “or a gross valuation  
23 misstatement”.

1           (2) Paragraph (1) of section 6696(d) is amend-  
2           ed by striking “or under section 6695” and inserting  
3           “, section 6695, or 6695A”.

4           (f) AMENDMENT RELATED TO SECTION 1221 OF THE  
5           ACT.—Subparagraph (A) of section 4940(c)(4) is amend-  
6           ed to read as follows:

7                   “(A) There shall not be taken into account  
8                   any gain or loss from the sale or other disposi-  
9                   tion of property to the extent that such gain or  
10                  loss is taken into account for purposes of com-  
11                  puting the tax imposed by section 511.”.

12          (g) AMENDMENT RELATED TO SECTION 1225 OF  
13          THE ACT.—

14           (1) Subsection (b) of section 6104 is amend-  
15          ed—

16                   (A) by striking “INFORMATION” in the  
17                  heading, and

18                   (B) by adding at the end the following:

19                   “Any annual return which is filed under section  
20                  6011 by an organization described in section  
21                  501(c)(3) and which relates to any tax imposed  
22                  by section 511 (relating to imposition of tax on  
23                  unrelated business income of charitable, etc.,  
24                  organizations) shall be treated for purposes of

1           this subsection in the same manner as if fur-  
2           nished under section 6033.”.

3           (2) Clause (ii) of section 6104(d)(1)(A) is  
4           amended to read as follows:

5                     “(ii) any annual return which is filed  
6                     under section 6011 by an organization de-  
7                     scribed in section 501(c)(3) and which re-  
8                     lates to any tax imposed by section 511  
9                     (relating to imposition of tax on unrelated  
10                    business income of charitable, etc., organi-  
11                    zations),”.

12           (3) Paragraph (2) of section 6104(d) is amend-  
13           ed by striking “section 6033” and inserting “section  
14           6011 or 6033”.

15           (h) AMENDMENT RELATED TO SECTION 1231 OF  
16 THE ACT.—Subsection (b) of section 4962 is amended by  
17 striking “or D” and inserting “D, or G”.

18           (i) AMENDMENT RELATED TO SECTION 1242 OF THE  
19 ACT.—

20                     (1) Subclause (II) of section 4958(c)(3)(A)(i) is  
21                     amended by striking “paragraph (1), (2), or (4) of  
22                     section 509(a)” and inserting “subparagraph  
23                     (C)(ii)”.

24           (2) Clause (ii) of section 4958(c)(3)(C) is  
25           amended to read as follows:

1                   “(ii) EXCEPTION.—Such term shall  
2                   not include—

3                                 “(I) any organization described  
4                                 in paragraph (1), (2), or (4) of section  
5                                 509(a), and

6                                 “(II) any organization which is  
7                                 treated as described in such para-  
8                                 graph (2) by reason of the last sen-  
9                                 tence of section 509(a) and which is a  
10                                supported organization (as defined in  
11                                section 509(f)(3)) of the organization  
12                                to which subparagraph (A) applies.”.

13           (j) EFFECTIVE DATE.—The amendments made by  
14 this section shall take effect as if included in the provisions  
15 of the Pension Protection Act of 2006 to which they re-  
16 late.

17 **SEC. 4. AMENDMENTS RELATED TO THE TAX INCREASE**  
18 **PREVENTION AND RECONCILIATION ACT OF**  
19 **2005.**

20           (a) AMENDMENTS RELATED TO SECTION 103 OF  
21 THE ACT.—Paragraph (6) of section 954(c) is amended  
22 by redesignating subparagraph (B) as subparagraph (C)  
23 and inserting after subparagraph (A) the following new  
24 subparagraph:

1           “(B) EXCEPTION.—Subparagraph (A)  
2 shall not apply in the case of any interest, rent,  
3 or royalty to the extent such interest, rent, or  
4 royalty creates (or increases) a deficit which  
5 under section 952(c) may reduce the subpart F  
6 income of the payor or another controlled for-  
7 eign corporation.”.

8           (b) AMENDMENTS RELATED TO SECTION 202 OF  
9 THE ACT.—

10           (1) Subparagraph (A) of section 355(b)(2) is  
11 amended to read as follows:

12           “(A) it is engaged in the active conduct of  
13 a trade or business,”.

14           (2) Paragraph (3) of section 355(b) is amended  
15 to read as follows:

16           “(3) SPECIAL RULES FOR DETERMINING AC-  
17 TIVE CONDUCT IN THE CASE OF AFFILIATED  
18 GROUPS.—

19           “(A) IN GENERAL.—For purposes of deter-  
20 mining whether a corporation meets the re-  
21 quirements of paragraph (2)(A), all members of  
22 such corporation’s separate affiliated group  
23 shall be treated as one corporation.

24           “(B) SEPARATE AFFILIATED GROUP.—For  
25 purposes of this paragraph, the term ‘separate

1 affiliated group' means, with respect to any cor-  
2 poration, the affiliated group which would be  
3 determined under section 1504(a) if such cor-  
4 poration were the common parent and section  
5 1504(b) did not apply.

6 “(C) TREATMENT OF TRADE OR BUSINESS  
7 CONDUCTED BY ACQUIRED MEMBER.—If a cor-  
8 poration became a member of a separate affili-  
9 ated group as a result of one or more trans-  
10 actions in which gain or loss was recognized in  
11 whole or in part, any trade or business con-  
12 ducted by such corporation (at the time that  
13 such corporation became such a member) shall  
14 be treated for purposes of paragraph (2) as ac-  
15 quired in a transaction in which gain or loss  
16 was recognized in whole or in part.

17 “(D) REGULATIONS.—The Secretary shall  
18 prescribe such regulations as are necessary or  
19 appropriate to carry out the purposes of this  
20 paragraph, including regulations which provide  
21 for the proper application of subparagraphs  
22 (B), (C), and (D) of paragraph (2), and modify  
23 the application of subsection (a)(3)(B), in con-  
24 nection with the application of this para-  
25 graph.”.

1           (3) The Internal Revenue Code of 1986 shall be  
2 applied and administered as if the amendments  
3 made by section 202 of the Tax Increase Prevention  
4 and Reconciliation Act of 2005 and by section 410  
5 of division A of the Tax Relief and Health Care Act  
6 of 2006 had never been enacted.

7           (c) AMENDMENT RELATED TO SECTION 515 OF THE  
8 ACT.—Subsection (f) of section 911 is amended to read  
9 as follows:

10           “(f) DETERMINATION OF TAX LIABILITY.—

11           “(1) IN GENERAL.—If, for any taxable year,  
12 any amount is excluded from gross income of a tax-  
13 payer under subsection (a), then, notwithstanding  
14 sections 1 and 55—

15           “(A) if such taxpayer has taxable income  
16 for such taxable year, the tax imposed by sec-  
17 tion 1 for such taxable year shall be equal to  
18 the excess (if any) of—

19           “(i) the tax which would be imposed  
20 by section 1 for such taxable year if the  
21 taxpayer’s taxable income were increased  
22 by the amount excluded under subsection  
23 (a) for such taxable year, over

24           “(ii) the tax which would be imposed  
25 by section 1 for such taxable year if the

1 taxpayer's taxable income were equal to  
2 the amount excluded under subsection (a)  
3 for such taxable year, and

4 “(B) if such taxpayer has a taxable excess  
5 (as defined in section 55(b)(1)(A)(ii)) for such  
6 taxable year, the amount determined under the  
7 first sentence of section 55(b)(1)(A)(i) for such  
8 taxable year shall be equal to the excess (if any)  
9 of—

10 “(i) the amount which would be deter-  
11 mined under such sentence for such tax-  
12 able year (subject to the limitation of sec-  
13 tion 55(b)(3)) if the taxpayer's taxable ex-  
14 cess (as so defined) were increased by the  
15 amount excluded under subsection (a) for  
16 such taxable year, over

17 “(ii) the amount which would be de-  
18 termined under such sentence for such tax-  
19 able year (subject to the limitation of sec-  
20 tion 55(b)(3)) if the taxpayer's taxable ex-  
21 cess (as so defined) were equal to the  
22 amount excluded under subsection (a) for  
23 such taxable year.

24 “(2) TREATMENT OF ORDINARY LOSS.—

1           “(A) REGULAR TAX.—If, for any taxable  
2 year, a taxpayer’s net capital gain exceeds tax-  
3 able income, in determining the tax under para-  
4 graph (1)(A)(ii)—

5                   “(i) there shall be treated as adjusted  
6 net capital gain the lesser of—

7                           “(I) the adjusted net capital gain  
8 (determined without regard to this  
9 paragraph), or

10                           “(II) the amount of such excess,

11                           “(ii) there shall be treated as  
12 unrecaptured section 1250 gain the lesser  
13 of—

14                           “(I) the unrecaptured section  
15 1250 gain (determined without regard  
16 to this paragraph), or

17                           “(II) the amount of such excess  
18 reduced by adjusted net capital gain  
19 (as determined under clause (i)), and

20                           “(iii) there shall be treated as 28-per-  
21 cent rate gain the amount of such excess  
22 reduced by the sum of—

23                           “(I) the amount treated as ad-  
24 justed net capital gain under clause  
25 (i), and

1                   “(II) the amount treated as  
2                   unrecaptured section 1250 gain under  
3                   clause (ii).

4                   “(B) ALTERNATIVE MINIMUM TAX.—The  
5                   rules of subparagraph (A) shall apply for pur-  
6                   poses of determining the amount under para-  
7                   graph (1)(B)(ii), except that such subparagraph  
8                   shall be applied by substituting ‘taxable excess  
9                   (as defined in section 55(b)(1)(A)(ii))’ for ‘tax-  
10                  able income’.”.

11               (d) EFFECTIVE DATE.—

12               (1) IN GENERAL.—Except as otherwise pro-  
13               vided in this subsection, the amendments made by  
14               this section shall take effect as if included in the  
15               provisions of the Tax Increase Prevention and Rec-  
16               onciliation Act of 2005 to which they relate.

17               (2) MODIFICATION OF ACTIVE BUSINESS DEFINI-  
18               TION UNDER SECTION 355.—

19               (A) IN GENERAL.—Except as otherwise  
20               provided in this paragraph, the amendments  
21               made by subsection (b) shall apply to distribu-  
22               tions made after May 17, 2006.

23               (B) TRANSITION RULE.—The amendments  
24               made by subsection (b) shall not apply to any

1 distribution pursuant to a transaction which  
2 is—

3 (i) made pursuant to an agreement  
4 which was binding on May 17, 2006, and  
5 at all times thereafter,

6 (ii) described in a ruling request sub-  
7 mitted to the Internal Revenue Service on  
8 or before such date, or

9 (iii) described on or before such date  
10 in a public announcement or in a filing  
11 with the Securities and Exchange Commis-  
12 sion.

13 (C) ELECTION OUT OF TRANSITION  
14 RULE.—Subparagraph (B) shall not apply if  
15 the distributing corporation elects not to have  
16 such subparagraph apply to distributions of  
17 such corporation. Any such election, once made,  
18 shall be irrevocable.

19 (D) SPECIAL RULE FOR CERTAIN PRE-EN-  
20 ACTMENT DISTRIBUTIONS.—For purposes of  
21 determining the continued qualification under  
22 section 355(b)(2)(A) of the Internal Revenue  
23 Code of 1986 of distributions made on or before  
24 May 17, 2006, as a result of an acquisition, dis-  
25 position, or other restructuring after such date,

1 such distribution shall be treated as made on  
2 the date of such acquisition, disposition, or re-  
3 structuring for purposes of applying subpara-  
4 graphs (A) through (C) of this paragraph. The  
5 preceding sentence shall only apply with respect  
6 to the corporation that undertakes such acquisi-  
7 tion, disposition, or other restructuring, and  
8 only if such application results in continued  
9 qualification under section 355(b)(2)(A) of such  
10 Code.

11 (3) AMENDMENT RELATED TO SECTION 515 OF  
12 THE ACT.—The amendment made by subsection (c)  
13 shall apply to taxable years beginning after Decem-  
14 ber 31, 2006.

15 **SEC. 5. AMENDMENTS RELATED TO THE SAFE, ACCOUNT-**  
16 **ABLE, FLEXIBLE, EFFICIENT TRANSPOR-**  
17 **TATION EQUITY ACT: A LEGACY FOR USERS.**

18 (a) AMENDMENTS RELATED TO SECTION 11113 OF  
19 THE ACT.—

20 (1) Paragraph (3) of section 6427(i) is amend-  
21 ed—

22 (A) by inserting “or under subsection  
23 (e)(2) by any person with respect to an alter-  
24 native fuel (as defined in section 6426(d)(2))”  
25 after “section 6426” in subparagraph (A),

1 (B) by inserting “or (e)(2)” after “sub-  
2 section (e)(1)” in subparagraphs (A)(i) and  
3 (B), and

4 (C) by striking “ALCOHOL FUEL AND BIO-  
5 DIESEL MIXTURE CREDIT” and inserting “MIX-  
6 TURE CREDITS AND THE ALTERNATIVE FUEL  
7 CREDIT” in the heading thereof.

8 (2) Subparagraph (F) of section 6426(d)(2) is  
9 amended by striking “hydrocarbons” and inserting  
10 “fuel”.

11 (3) Section 6426 is amended by adding at the  
12 end the following new subsection:

13 “(h) DENIAL OF DOUBLE BENEFIT.—No credit shall  
14 be determined under subsection (d) or (e) with respect to  
15 any fuel with respect to which credit may be determined  
16 under subsection (b) or (c) or under section 40 or 40A.”.

17 (b) EFFECTIVE DATE.—The amendments made by  
18 this section shall take effect as if included in the provisions  
19 of the SAFETEA-LU to which they relate.

20 **SEC. 6. AMENDMENTS RELATED TO THE ENERGY POLICY**  
21 **ACT OF 2005.**

22 (a) AMENDMENT RELATED TO SECTION 1306 OF  
23 THE ACT.—Paragraph (2) of section 45J(b) is amended  
24 to read as follows:

1           “(2) AMOUNT OF NATIONAL LIMITATION.—The  
2           aggregate amount of national megawatt capacity  
3           limitation allocated by the Secretary under para-  
4           graph (3) shall not exceed 6,000 megawatts.”.

5           (b) AMENDMENTS RELATED TO SECTION 1342 OF  
6 THE ACT.—

7           (1) So much of subsection (b) of section 30C as  
8           precedes paragraph (1) thereof is amended to read  
9           as follows:

10          “(b) LIMITATION.—The credit allowed under sub-  
11 section (a) with respect to all qualified alternative fuel ve-  
12 hicle refueling property placed in service by the taxpayer  
13 during the taxable year at a location shall not  
14 exceed—”.

15          (2) Subsection (c) of section 30C is amended to  
16          read as follows:

17          “(c) QUALIFIED ALTERNATIVE FUEL VEHICLE RE-  
18 FUELING PROPERTY.—For purposes of this section, the  
19 term ‘qualified alternative fuel vehicle refueling property’  
20 has the same meaning as the term ‘qualified clean-fuel ve-  
21 hicle refueling property’ would have under section 179A  
22 if—

23           “(1) paragraph (1) of section 179A(d) did not  
24           apply to property installed on property which is used

1 as the principal residence (within the meaning of  
2 section 121) of the taxpayer, and

3 “(2) only the following were treated as clean-  
4 burning fuels for purposes of section 179A(d):

5 “(A) Any fuel at least 85 percent of the  
6 volume of which consists of one or more of the  
7 following: ethanol, natural gas, compressed nat-  
8 ural gas, liquified natural gas, liquefied petro-  
9 leum gas, or hydrogen.

10 “(B) Any mixture—

11 “(i) which consists of two or more of  
12 the following: biodiesel (as defined in sec-  
13 tion 40A(d)(1)), diesel fuel (as defined in  
14 section 4083(a)(3)), or kerosene, and

15 “(ii) at least 20 percent of the volume  
16 of which consists of biodiesel (as so de-  
17 fined) determined without regard to any  
18 kerosene in such mixture.”.

19 (c) AMENDMENTS RELATED TO SECTION 1351 OF  
20 THE ACT.—

21 (1) Paragraph (3) of section 41(a) is amended  
22 by inserting “for energy research” before the period  
23 at the end.

1           (2) Paragraph (6) of section 41(f) is amended  
2           by adding at the end the following new subpara-  
3           graph:

4                     “(E) ENERGY RESEARCH.—The term ‘en-  
5           ergy research’ does not include any research  
6           which is not qualified research.”.

7           (d) AMENDMENTS RELATED TO SECTION 1362 OF  
8           THE ACT.—

9                     (1)(A) Paragraph (1) of section 4041(d) is  
10           amended by adding at the end the following new  
11           sentence: “No tax shall be imposed under the pre-  
12           ceding sentence on the sale or use of any liquid if  
13           tax was imposed with respect to such liquid under  
14           section 4081 at the Leaking Underground Storage  
15           Tank Trust Fund financing rate.”.

16                    (B) Paragraph (3) of section 4042(b) is amend-  
17           ed to read as follows:

18                     “(3) EXCEPTION FOR FUEL ON WHICH LEAK-  
19           ING UNDERGROUND STORAGE TANK TRUST FUND FI-  
20           NANCING RATE SEPARATELY IMPOSED.—The Leak-  
21           ing Underground Storage Tank Trust Fund financ-  
22           ing rate under paragraph (2)(B) shall not apply to  
23           the use of any fuel if tax was imposed with respect  
24           to such fuel under section 4041(d) or 4081 at the

1 Leaking Underground Storage Tank Trust Fund fi-  
2 nancing rate.”.

3 (C) Notwithstanding section 6430 of the Inter-  
4 nal Revenue Code of 1986, a refund, credit, or pay-  
5 ment may be made under subchapter B of chapter  
6 65 of such Code for taxes imposed with respect to  
7 any liquid after September 30, 2005, and before the  
8 date of the enactment of this Act under section  
9 4041(d)(1) or 4042 of such Code at the Leaking  
10 Underground Storage Tank Trust Fund financing  
11 rate to the extent that tax was imposed with respect  
12 to such liquid under section 4081 at the Leaking  
13 Underground Storage Tank Trust Fund financing  
14 rate.

15 (2)(A) Paragraph (5) of section 4041(d) is  
16 amended—

17 (i) by striking “(other than with respect to  
18 any sale for export under paragraph (3) there-  
19 of)”, and

20 (ii) by adding at the end the following new  
21 sentence: “The preceding sentence shall not  
22 apply with respect to subsection (g)(3) and so  
23 much of subsection (g)(1) as relates to vessels  
24 (within the meaning of section 4221(d)(3)) em-

1           employed in foreign trade or trade between the  
2           United States and any of its possessions.”.

3           (B) Section 4082 is amended—

4                   (i) by striking “(other than such tax at the  
5           Leaking Underground Storage Tank Trust  
6           Fund financing rate imposed in all cases other  
7           than for export)” in subsection (a), and

8                   (ii) by redesignating subsections (f) and  
9                   (g) as subsections (g) and (h), respectively, and  
10           by inserting after subsection (e) the following  
11           new subsection:

12           “(f) EXCEPTION FOR LEAKING UNDERGROUND  
13 STORAGE TANK TRUST FUND FINANCING RATE.—

14                   “(1) IN GENERAL.—Subsection (a) shall not  
15           apply to the tax imposed under section 4081 at the  
16           Leaking Underground Storage Tank Trust Fund fi-  
17           nancing rate.

18                   “(2) EXCEPTION FOR EXPORT, ETC.—Para-  
19           graph (1) shall not apply with respect to any fuel if  
20           the Secretary determines that such fuel is destined  
21           for export or for use by the purchaser as supplies for  
22           vessels (within the meaning of section 4221(d)(3))  
23           employed in foreign trade or trade between the  
24           United States and any of its possessions.”.

1 (C) Subsection (e) of section 4082 is amend-  
2 ed—

3 (i) by striking “an aircraft, the rate of tax  
4 under section 4081(a)(2)(A)(iii) shall be zero.”  
5 and inserting “an aircraft—

6 “(1) the rate of tax under section  
7 4081(a)(2)(A)(iii) shall be zero, and

8 “(2) if such aircraft is employed in foreign  
9 trade or trade between the United States and any of  
10 its possessions, the increase in such rate under sec-  
11 tion 4081(a)(2)(B) shall be zero.”; and

12 (ii) by moving the last sentence flush with  
13 the margin of such subsection (following the  
14 paragraph (2) added by clause (i)).

15 (D) Section 6430 is amended to read as follows:

16 **“SEC. 6430. TREATMENT OF TAX IMPOSED AT LEAKING UN-**  
17 **DERGROUND STORAGE TANK TRUST FUND**  
18 **FINANCING RATE.**

19 “No refunds, credits, or payments shall be made  
20 under this subchapter for any tax imposed at the Leaking  
21 Underground Storage Tank Trust Fund financing rate,  
22 except in the case of fuels—

23 “(1) which are exempt from tax under section  
24 4081(a) by reason of section 4082(f)(2),

1           “(2) which are exempt from tax under section  
2           4041(d) by reason of the last sentence of paragraph  
3           (5) thereof, or

4           “(3) with respect to which the rate increase  
5           under section 4081(a)(2)(B) is zero by reason of  
6           section 4082(e)(2).”.

7           (3) Paragraph (5) of section 4041(d) is amend-  
8           ed by inserting “(b)(1)(A),” after “subsections”.

9           (e) EFFECTIVE DATE.—

10           (1) IN GENERAL.—Except as otherwise pro-  
11           vided in this subsection, the amendments made by  
12           this section shall take effect as if included in the  
13           provisions of the Energy Policy Act of 2005 to which  
14           they relate.

15           (2) NONAPPLICATION OF EXEMPTION FOR OFF-  
16           HIGHWAY BUSINESS USE.—The amendment made by  
17           subsection (d)(3) shall apply to fuel sold for use or  
18           used after the date of the enactment of this Act.

19           (3) AMENDMENT MADE BY THE SAFETEA-  
20           LU.—The amendment made by subsection  
21           (d)(2)(C)(ii) shall take effect as if included in sec-  
22           tion 11161 of the SAFETEA-LU.

1 **SEC. 7. AMENDMENTS RELATED TO THE AMERICAN JOBS**  
2 **CREATION ACT OF 2004.**

3 (a) AMENDMENT RELATED TO SECTION 248 OF THE  
4 ACT.—Subsection (a) of section 1355 is amended by add-  
5 ing at the end the following new paragraph:

6 “(8) PUERTO RICO TREATED AS PART OF DO-  
7 MESTIC TRADE.—For purposes of paragraphs (6)  
8 and (7), Puerto Rico shall be treated as a place in  
9 the United States and not as a foreign place.”.

10 (b) AMENDMENTS RELATED TO SECTION 339 OF  
11 THE ACT.—

12 (1)(A) Section 45H is amended by striking sub-  
13 section (d) and by redesignating subsections (e), (f),  
14 and (g) as subsections (d), (e), and (f), respectively.

15 (B) Subsection (d) of section 280C is amended  
16 to read as follows:

17 “(d) CREDIT FOR LOW SULFUR DIESEL FUEL PRO-  
18 Duction.—The deductions otherwise allowed under this  
19 chapter for the taxable year shall be reduced by the  
20 amount of the credit determined for the taxable year  
21 under section 45H(a).”.

22 (C) Subsection (a) of section 1016 is amended  
23 by striking paragraph (31) and by redesignating  
24 paragraphs (32) through (37) as paragraphs (31)  
25 through (36), respectively.

1           (2)(A) Section 45H, as amended by paragraph  
2           (1), is amended by adding at the end the following  
3           new subsection:

4           “(g) ELECTION TO NOT TAKE CREDIT.—No credit  
5           shall be determined under subsection (a) for the taxable  
6           year if the taxpayer elects not to have subsection (a) apply  
7           to such taxable year.”.

8           (B) Subsection (m) of section 6501 is amended  
9           by inserting “45H(g),” after “45C(d)(4),”.

10          (3)(A) Subsections (b)(1)(A), (c)(2), (e)(1), and  
11          (e)(2) of section 45H (as amended by paragraph  
12          (1)) and section 179B(a) are each amended by strik-  
13          ing “qualified capital costs” and inserting “qualified  
14          costs”.

15          (B) The heading of paragraph (2) of section  
16          45H(c) is amended by striking “CAPITAL”.

17          (C) Subsection (a) of section 179B is amended  
18          by inserting “and which are properly chargeable to  
19          capital account” before the period at the end.

20          (c) AMENDMENTS RELATED TO SECTION 710 OF  
21          THE ACT.—

22          (1) Clause (ii) of section 45(c)(3)(A) is amend-  
23          ed by striking “which is segregated from other waste  
24          materials and”.

1           (2) Subparagraph (B) of section 45(d)(2) is  
2           amended by inserting “and” at the end of clause (i),  
3           by striking clause (ii), and by redesignating clause  
4           (iii) as clause (ii).

5           (d) AMENDMENTS RELATED TO SECTION 848 OF  
6 THE ACT.—

7           (1) Paragraph (2) of section 470(c) is amended  
8           to read as follows:

9           “(2) TAX-EXEMPT USE PROPERTY.—

10           “(A) IN GENERAL.—The term ‘tax-exempt  
11           use property’ has the meaning given to such  
12           term by section 168(h), except that such section  
13           shall be applied—

14           “(i) without regard to paragraphs  
15           (1)(C) and (3) thereof, and

16           “(ii) as if section 197 intangible prop-  
17           erty (as defined in section 197), and prop-  
18           erty described in paragraph (1)(B) or (2)  
19           of section 167(f), were tangible property.

20           “(B) EXCEPTION FOR PARTNERSHIPS.—

21           Such term shall not include any property which  
22           would (but for this subparagraph) be tax-ex-  
23           empt use property solely by reason of section  
24           168(h)(6).

1           “(C) CROSS REFERENCE.—For treatment  
2           of partnerships as leases to which section  
3           168(h) applies, see section 7701(e).”.

4           (2) Subparagraph (A) of section 470(d)(1) is  
5           amended by striking “(at any time during the lease  
6           term)” and inserting “(at all times during the lease  
7           term)”.

8           (e) AMENDMENTS RELATED TO SECTION 888 OF  
9           THE ACT.—

10           (1) Subparagraph (A) of section 1092(a)(2) is  
11           amended by striking “and” at the end of clause (ii),  
12           by redesignating clause (iii) as clause (iv), and by in-  
13           serting after clause (ii) the following new clause:

14                   “(iii) if the application of clause (ii)  
15                   does not result in an increase in the basis  
16                   of any offsetting position in the identified  
17                   straddle, the basis of each of the offsetting  
18                   positions in the identified straddle shall be  
19                   increased in a manner which—

20                           “(I) is reasonable, consistent  
21                           with the purposes of this paragraph,  
22                           and consistently applied by the tax-  
23                           payer, and

24                           “(II) results in an aggregate in-  
25                           crease in the basis of such offsetting

1                   positions which is equal to the loss de-  
2                   scribed in clause (ii), and”.

3                   (2)(A) Subparagraph (B) of section 1092(a)(2)  
4                   is amended by adding at the end the following flush  
5                   sentence:

6                   “A straddle shall be treated as clearly identified  
7                   for purposes of clause (i) only if such identifica-  
8                   tion includes an identification of the positions  
9                   in the straddle which are offsetting with respect  
10                  other positions in the straddle.”.

11                  (B) Subparagraph (A) of section 1092(a)(2) is  
12                  amended—

13                   (i) by striking “identified positions” in  
14                   clause (i) and inserting “positions”,

15                   (ii) by striking “identified position” in  
16                   clause (ii) and inserting “position”, and

17                   (iii) by striking “identified offsetting posi-  
18                   tions” in clause (ii) and inserting “offsetting  
19                   positions”.

20                  (C) Subparagraph (B) of section 1092(a)(3) is  
21                  amended by striking “identified offsetting position”  
22                  and inserting “offsetting position”.

23                  (3) Paragraph (2) of section 1092(a) is amend-  
24                  ed by redesignating subparagraph (C) as subpara-

1 graph (D) and inserting after subparagraph (B) the  
2 following new subparagraph:

3 “(C) APPLICATION TO LIABILITIES AND  
4 OBLIGATIONS.—Except as otherwise provided  
5 by the Secretary, rules similar to the rules of  
6 clauses (ii) and (iii) of subparagraph (A) shall  
7 apply for purposes of this paragraph with re-  
8 spect to any position which is, or has been, a  
9 liability or obligation.”.

10 (4) Subparagraph (D) of section 1092(a)(2), as  
11 redesignated by paragraph (3), is amended by in-  
12 sserting “the rules for the application of this section  
13 to a position which is or has been a liability or obli-  
14 gation, methods of loss allocation which satisfy the  
15 requirements of subparagraph (A)(iii),” before “and  
16 the ordering rules”.

17 (f) EFFECTIVE DATE.—

18 (1) IN GENERAL.—Except as otherwise pro-  
19 vided in this subsection, the amendments made by  
20 this section shall take effect as if included in the  
21 provisions of the American Jobs Creation Act of  
22 2004 to which they relate.

23 (2) IDENTIFICATION REQUIREMENT OF AMEND-  
24 MENT RELATED TO SECTION 888 OF THE AMERICAN  
25 JOBS CREATION ACT OF 2004.—The amendment

1 made by subsection (d)(2)(A) shall apply to strad-  
2 dles acquired after the date of the enactment of this  
3 Act.

4 **SEC. 8. AMENDMENT RELATED TO THE JOBS AND GROWTH**  
5 **TAX RELIEF RECONCILIATION ACT OF 2003.**

6 (a) AMENDMENT RELATED TO SECTION 302 OF THE  
7 ACT.—Clause (ii) of section 1(h)(11)(B) is amended by  
8 striking “and” at the end of subclause (II), by striking  
9 the period at the end of subclause (III) and inserting “,  
10 and”, and by adding at the end the following new sub-  
11 clause:

12 “(IV) any dividend received from  
13 a corporation which is a DISC or  
14 former DISC (as defined in section  
15 992(a)) to the extent such dividend is  
16 paid out of the corporation’s accumu-  
17 lated DISC income or is a deemed  
18 distribution pursuant to section  
19 995(b)(1).”.

20 (b) EFFECTIVE DATE.—The amendment made by  
21 this section shall apply to dividends received after Decem-  
22 ber 31, 2007, in taxable years ending after such date.

1 **SEC. 9. AMENDMENTS RELATED TO THE ECONOMIC**  
2 **GROWTH AND TAX RELIEF RECONCILIATION**  
3 **ACT OF 2001.**

4 (a) AMENDMENTS RELATED TO SECTION 617 OF  
5 THE ACT.—

6 (1) Subclause (II) of section 402(g)(7)(A)(ii) is  
7 amended by striking “for prior taxable years” and  
8 inserting “permitted for prior taxable years by rea-  
9 son of this paragraph”.

10 (2) Subparagraph (A) of section 3121(v)(1) is  
11 amended by inserting “or consisting of designated  
12 Roth contributions (as defined in section 402A(c))”  
13 before the comma at the end.

14 (b) EFFECTIVE DATE.—The amendments made by  
15 this section shall take effect as if included in the provisions  
16 of the Economic Growth and Tax Relief Reconciliation Act  
17 of 2001 to which they relate.

18 **SEC. 10. AMENDMENTS RELATED TO THE TAX RELIEF EX-**  
19 **TENSION ACT OF 1999.**

20 (a) AMENDMENT RELATED TO SECTION 507 OF THE  
21 ACT.—Clause (i) of section 45(e)(7)(A) is amended by  
22 striking “placed in service by the taxpayer” and inserting  
23 “originally placed in service”.

24 (b) AMENDMENT RELATED TO SECTION 542 OF THE  
25 ACT.—Clause (ii) of section 856(d)(9)(D) is amended to  
26 read as follows:

1                   “(ii) LODGING FACILITY.—The term  
2                   ‘lodging facility’ means a—  
3                   “(I) hotel,  
4                   “(II) motel, or  
5                   “(III) other establishment more  
6                   than one-half of the dwelling units in  
7                   which are used on a transient basis.”.

8           (c) EFFECTIVE DATE.—The amendments made by  
9 this section shall take effect as if included in the provisions  
10 of the Tax Relief Extension Act of 1999 to which they  
11 relate.

12 **SEC. 11. AMENDMENT RELATED TO THE INTERNAL REV-**  
13 **ENUE SERVICE RESTRUCTURING AND RE-**  
14 **FORM ACT OF 1998.**

15           (a) AMENDMENT RELATED TO SECTION 3509 OF  
16 THE ACT.—Paragraph (3) of section 6110(i) is amended  
17 by inserting “and related background file documents”  
18 after “Chief Counsel advice” in the matter preceding sub-  
19 paragraph (A).

20           (b) EFFECTIVE DATE.—The amendment made by  
21 this section shall take effect as if included in the provision  
22 of the Internal Revenue Service Restructuring and Reform  
23 Act of 1998 to which it relates.

24 **SEC. 12. CLERICAL CORRECTIONS.**

25           (a) IN GENERAL.—

1           (1) Paragraph (5) of section 21(e) is amended  
2           by striking “section 152(e)(3)(A)” in the flush mat-  
3           ter after subparagraph (B) and inserting “section  
4           152(e)(4)(A)”.

5           (2) Paragraph (3) of section 25C(e) is amended  
6           by striking “section 3280” and inserting “part  
7           3280”.

8           (3) Paragraph (2) of section 26(b) is amended  
9           by redesignating subparagraphs (S) and (T) as sub-  
10          paragraphs (U) and (V), respectively, and by insert-  
11          ing after subparagraph (R) the following new sub-  
12          paragraphs:

13                       “(S)           sections           106(e)(3)(A)(ii),  
14                       223(b)(8)(B)(i)(II),   and   408(d)(9)(D)(i)(II)  
15                       (relating to certain failures to maintain high de-  
16                       ductible health plan coverage),

17                       “(T) section 170(o)(3)(B) (relating to re-  
18                       capture of certain deductions for fractional  
19                       gifts),”.

20          (4) Subsection (a) of section 34 is amended—

21                       (A) in paragraph (1), by striking “with re-  
22                       spect to gasoline used during the taxable year  
23                       on a farm for farming purposes”,

24                       (B) in paragraph (2), by striking “with re-  
25                       spect to gasoline used during the taxable year

1 (A) otherwise than as a fuel in a highway vehi-  
2 cle or (B) in vehicles while engaged in fur-  
3 nishing certain public passenger land transpor-  
4 tation service”, and

5 (C) in paragraph (3), by striking “with re-  
6 spect to fuels used for nontaxable purposes or  
7 resold during the taxable year”.

8 (5) Paragraph (2) of section 35(d) is amend-  
9 ed—

10 (A) by striking “paragraph (2) or (4) of”,  
11 and

12 (B) by striking “(within the meaning of  
13 section 152(e)(1))” and inserting “(as defined  
14 in section 152(e)(4)(A))”.

15 (6) Subsection (b) of section 38 is amended—

16 (A) by striking “and” each place it ap-  
17 pears at the end of any paragraph,

18 (B) by striking “plus” each place it ap-  
19 pears at the end of any paragraph, and

20 (C) by inserting “plus” at the end of para-  
21 graph (30).

22 (7) Paragraphs (2) and (3) of section 45L(c)  
23 are each amended by striking “section 3280” and  
24 inserting “part 3280”.

1           (8) Paragraphs (1)(B) and (2)(B) of section  
2           48(c) are each amended by striking “paragraph (1)”  
3           and inserting “subsection (a)”.

4           (9) Clause (ii) of section 48A(d)(4)(B) is  
5           amended by striking “subsection” both places it ap-  
6           pears.

7           (10)(A) Paragraph (9) of section 121(d) is  
8           amended by adding at the end the following new  
9           subparagraph:

10                   “(E) TERMINATION WITH RESPECT TO EM-  
11                   PLOYEES OF INTELLIGENCE COMMUNITY.—  
12                   Clause (iii) of subparagraph (A) shall not apply  
13                   with respect to any sale or exchange after De-  
14                   cember 31, 2010.”.

15           (B) Subsection (e) of section 417 of division A  
16           of the Tax Relief and Health Care Act of 2006 is  
17           amended by striking “and before January 1, 2011”.

18           (11) The last sentence of section 125(b)(2) is  
19           amended by striking “last sentence” and inserting  
20           “second sentence”.

21           (12) Subclause (II) of section 167(g)(8)(C)(ii)  
22           is amended by striking “section 263A(j)(2)” and in-  
23           serting “section 263A(i)(2)”.

1           (13)(A) Clause (vii) of section 170(b)(1)(A) is  
2           amended by striking “subparagraph (E)” and insert-  
3           ing “subparagraph (F)”.

4           (B) Clause (ii) of section 170(e)(1)(B) is  
5           amended by striking “subsection (b)(1)(E)” and in-  
6           serting “subsection (b)(1)(F)”.

7           (C) Clause (i) of section 1400S(a)(2)(A) is  
8           amended by striking “subparagraph (F)” and insert-  
9           ing “subparagraph (G)”.

10          (D) Subparagraph (A) of section 4942(i)(1) is  
11          amended by striking “section 170(b)(1)(E)(ii)” and  
12          inserting “section 170(b)(1)(F)(ii)”.

13          (14) Subclause (II) of section 170(e)(1)(B)(i) is  
14          amended by inserting “, but without regard to  
15          clause (ii) thereof” after “paragraph (7)(C)”.

16          (15)(A) Subparagraph (A) of section 170(o)(1)  
17          and subparagraph (A) of section 2522(e)(1) are  
18          each amended by striking “all interest in the prop-  
19          erty is” and inserting “all interests in the property  
20          are”.

21          (B) Section 170(o)(3)(A)(i), and section  
22          2522(e)(2)(A)(i) (as redesignated by section  
23          3(d)(2)), are each amended—

24                  (i) by striking “interest” and inserting “in-  
25                  terests”, and

1           (ii) by striking “before” and inserting “on  
2           or before”.

3           (16)(A) Subparagraph (C) of section 852(b)(4)  
4           is amended to read as follows:

5                   “(C) DETERMINATION OF HOLDING PERI-  
6                   ODS.—For purposes of this paragraph, in deter-  
7                   mining the period for which the taxpayer has  
8                   held any share of stock—

9                           “(i) the rules of paragraphs (3) and  
10                           (4) of section 246(c) shall apply, and

11                           “(ii) there shall not be taken into ac-  
12                           count any day which is more than 6  
13                           months after the date on which such share  
14                           becomes ex-dividend.”.

15           (B) Subparagraph (B) of section 857(b)(8) is  
16           amended to read as follows:

17                   “(B) DETERMINATION OF HOLDING PERI-  
18                   ODS.—For purposes of this paragraph, in deter-  
19                   mining the period for which the taxpayer has  
20                   held any share of stock or beneficial interest—

21                           “(i) the rules of paragraphs (3) and  
22                           (4) of section 246(c) shall apply, and

23                           “(ii) there shall not be taken into ac-  
24                           count any day which is more than 6

1 months after the date on which such share  
2 or interest becomes ex-dividend.”.

3 (17) Paragraph (2) of section 856(l) is amend-  
4 ed by striking the last sentence and inserting the fol-  
5 lowing: “For purposes of subparagraph (B), securi-  
6 ties described in subsection (m)(2)(A) shall not be  
7 taken into account.”.

8 (18) Subparagraph (F) of section 954(c)(1) is  
9 amended to read as follows:

10 “(F) INCOME FROM NOTIONAL PRINCIPAL  
11 CONTRACTS.—

12 “(i) IN GENERAL.—Net income from  
13 notional principal contracts.

14 “(ii) COORDINATION WITH OTHER  
15 CATEGORIES OF FOREIGN PERSONAL  
16 HOLDING COMPANY INCOME.—Any item of  
17 income, gain, deduction, or loss from a no-  
18 tional principal contract entered into for  
19 purposes of hedging any item described in  
20 any preceding subparagraph shall not be  
21 taken into account for purposes of this  
22 subparagraph but shall be taken into ac-  
23 count under such other subparagraph.”.

1           (19) Paragraph (1) of section 954(c) is amend-  
2           ed by redesignating subparagraph (I) as subpara-  
3           graph (H).

4           (20) Paragraph (33) of section 1016(a), as re-  
5           designated by section 7(b)(1)(C), is amended by  
6           striking “section 25C(e)” and inserting “section  
7           25C(f)”.

8           (21) Paragraph (36) of section 1016(a), as re-  
9           designated by section 7(b)(1)(C), is amended by  
10          striking “section 30C(f)” and inserting “section  
11          30C(e)(1)”.

12          (22) Subparagraph (G) of section 1260(c)(2) is  
13          amended by adding “and” at the end.

14          (23)(A) Section 1297 is amended by striking  
15          subsection (d) and by redesignating subsections (e)  
16          and (f) as subsections (d) and (e), respectively.

17          (B) Subparagraph (G) of section 1260(c)(2) is  
18          amended by striking “subsection (e)” and inserting  
19          “subsection (d)”.

20          (C) Subparagraph (B) of section 1298(a)(2) is  
21          amended by striking “Section 1297(e)” and insert-  
22          ing “Section 1297(d)”.

23          (24) Paragraph (1) of section 1362(f) is  
24          amended—

1 (A) by striking “, section  
 2 1361(b)(3)(B)(ii), or section 1361(c)(1)(A)(ii)”  
 3 and inserting “or section 1361(b)(3)(B)(ii)”,  
 4 and

5 (B) by striking “, section 1361(b)(3)(C),  
 6 or section 1361(c)(1)(D)(iii)” in subparagraph  
 7 (B) and inserting “or section 1361(b)(3)(C)”.

8 (25) Paragraph (2) of section 14000 is amend-  
 9 ed by striking “under of” and inserting “under”.

10 (26) The table of sections for part II of sub-  
 11 chapter Y of chapter 1 is amended by adding at the  
 12 end the following new item:

“Sec. 1400T. Special rules for mortgage revenue bonds.”.

13 (27) Subsection (b) of section 4082 is amended  
 14 to read as follows:

15 “(b) NONTAXABLE USE.—For purposes of this sec-  
 16 tion, the term ‘nontaxable use’ means—

17 “(1) any use which is exempt from the tax im-  
 18 posed by section 4041(a)(1) other than by reason of  
 19 a prior imposition of tax,

20 “(2) any use in a train, and

21 “(3) any use described in section  
 22 4041(a)(1)(C)(iii)(II).

23 The term ‘nontaxable use’ does not include the use of ker-  
 24 osene in an aircraft and such term shall not include any  
 25 use described in section 6421(e)(2)(C).”.

1           (28) Paragraph (4) of section 4101(a) (relating  
2 to registration in event of change of ownership) is  
3 redesignated as paragraph (5).

4           (29) Paragraph (6) of section 4965(c) is  
5 amended by striking “section 4457(e)(1)(A)” and  
6 inserting “section 457(e)(1)(A)”.

7           (30) Subpart C of part II of subchapter A of  
8 chapter 51 is amended by redesignating section  
9 5432 (relating to recordkeeping by wholesale deal-  
10 ers) as section 5121.

11           (31) Paragraph (2) of section 5732(c), as re-  
12 designated by section 11125(b)(20)(A) of the  
13 SAFETEA-LU, is amended by striking “this sub-  
14 part” and inserting “this subchapter”.

15           (32) Subsection (b) of section 6046 is amend-  
16 ed—

17                   (A) by striking “subsection (a)(1)” and in-  
18 serting “subsection (a)(1)(A)”, and

19                   (B) by striking “paragraph (2) or (3) of  
20 subsection (a)” and inserting “subparagraph  
21 (B) or (C) of subsection (a)(1)”.

22           (33)(A) Subparagraph (A) of section  
23 6103(b)(5) is amended by striking “the Canal  
24 Zone,”.

1           (B) Section 7651 is amended by striking para-  
2           graph (4) and by redesignating paragraph (5) as  
3           paragraph (4).

4           (34) Subparagraph (A) of section 6211(b)(4) is  
5           amended by striking “and 34” and inserting “34,  
6           and 35”.

7           (35) Subparagraphs (A) and (B) of section  
8           6230(a)(3) are each amended by striking “section  
9           6013(e)” and inserting “section 6015”.

10          (36) Paragraph (3) of section 6427(e) (relating  
11          to termination), as added by section 11113 of the  
12          SAFETEA-LU, is redesignated as paragraph (5)  
13          and moved after paragraph (4).

14          (37) Clause (ii) of section 6427(l)(4)(A) is  
15          amended by striking “section 4081(a)(2)(iii)” and  
16          inserting “section 4081(a)(2)(A)(iii)”.

17          (38)(A) Section 6427, as amended by section  
18          1343(b)(1) of the Energy Policy Act of 2005, is  
19          amended by striking subsection (p) (relating to gas-  
20          ohol used in noncommercial aviation) and redesign-  
21          ating subsection (q) as subsection (p).

22          (B) The Internal Revenue Code of 1986 shall  
23          be applied and administered as if the amendments  
24          made by paragraph (2) of section 11151(a) of the  
25          SAFETEA-LU had never been enacted.

1           (39) Subparagraph (C) of section 6707A(e)(2)  
2 is amended by striking “section 6662A(e)(2)(C)”  
3 and inserting “section 6662A(e)(2)(B)”.

4           (40)(A) Paragraph (3) of section 9002 is  
5 amended by striking “section 309(a)(1)” and insert-  
6 ing “section 306(a)(1)”.

7           (B) Paragraph (1) of section 9004(a) is amend-  
8 ed by striking “section 320(b)(1)(B)” and inserting  
9 “section 315(b)(1)(B)”.

10          (C) Paragraph (3) of section 9032 is amended  
11 by striking “section 309(a)(1)” and inserting “sec-  
12 tion 306(a)(1)”.

13          (D) Subsection (b) of section 9034 is amended  
14 by striking “section 320(b)(1)(A)” and inserting  
15 “section 315(b)(1)(A)”.

16          (41) Section 9006 is amended by striking  
17 “Comptroller General” each place it appears and in-  
18 serting “Commission”.

19          (42) Subsection (e) of section 9503 is amended  
20 by redesignating paragraph (7) (relating to transfers  
21 from the trust fund for certain aviation fuels taxes)  
22 as paragraph (6).

23          (43) Paragraph (1) of section 1301(g) of the  
24 Energy Policy Act of 2005 is amended by striking  
25 “shall take effect of the date of the enactment” and

1 inserting “shall take effect on the date of the enact-  
2 ment”.

3 (44) The Internal Revenue Code of 1986 shall  
4 be applied and administered as if the amendments  
5 made by section 1(a) of Public Law 109–433 had  
6 never been enacted.

7 (b) CLERICAL AMENDMENTS RELATED TO THE TAX  
8 RELIEF AND HEALTH CARE ACT OF 2006.—

9 (1) AMENDMENT RELATED TO SECTION 209 OF  
10 DIVISION A OF THE ACT.—Paragraph (3) of section  
11 168(l) is amended by striking “enzymatic”.

12 (2) AMENDMENTS RELATED TO SECTION 419 OF  
13 DIVISION A OF THE ACT.—

14 (A) Clause (iv) of section 6724(d)(1)(B) is  
15 amended by inserting “or (h)(1)” after “section  
16 6050H(a)”.

17 (B) Subparagraph (K) of section  
18 6724(d)(2) is amended by inserting “or (h)(2)”  
19 after “section 6050H(d)”.

20 (3) EFFECTIVE DATE.—The amendments made  
21 by this subsection shall take effect as if included in  
22 the provision of the Tax Relief and Health Care Act  
23 of 2006 to which they relate.

24 (c) CLERICAL AMENDMENTS RELATED TO THE GULF  
25 OPPORTUNITY ZONE ACT OF 2005.—

1           (1) AMENDMENTS RELATED TO SECTION 402 OF  
2 THE ACT.—Subparagraph (B) of section 24(d)(1) is  
3 amended—

4           (A) by striking “the excess (if any) of” in  
5 the matter preceding clause (i) and inserting  
6 “the greater of”, and

7           (B) by striking “section” in clause (ii)(II)  
8 and inserting “section 32”.

9           (2) EFFECTIVE DATE.—The amendments made  
10 by this subsection shall take effect as if included in  
11 the provisions of the Gulf Opportunity Zone Act of  
12 2005 to which they relate.

13       (d) CLERICAL AMENDMENTS RELATED TO THE  
14 SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT TRANSPOR-  
15 TATION EQUITY ACT: A LEGACY FOR USERS.—

16           (1) AMENDMENTS RELATED TO SECTION 11163  
17 OF THE ACT.—Subparagraph (C) of section  
18 6416(a)(4) is amended—

19           (A) by striking “ultimate vendor” and all  
20 that follows through “has certified” and insert-  
21 ing “ultimate vendor or credit card issuer has  
22 certified”, and

23           (B) by striking “all ultimate purchasers of  
24 the vendor” and all that follows through “are  
25 certified” and inserting “all ultimate purchasers

1           of the vendor or credit card issuer are cer-  
2           tified”.

3           (2) EFFECTIVE DATE.—The amendments made  
4           by this subsection shall take effect as if included in  
5           the provisions of the Safe, Accountable, Flexible, Ef-  
6           ficient Transportation Equity Act: A Legacy for  
7           Users to which they relate.

8           (e) CLERICAL AMENDMENTS RELATED TO THE EN-  
9           ERGY POLICY ACT OF 2005.—

10           (1) AMENDMENT RELATED TO SECTION 1344 OF  
11           THE ACT.—Subparagraph (B) of section 6427(e)(5),  
12           as redesignated by subsection (a)(36), is amended by  
13           striking “2006” and inserting “2008”.

14           (2) AMENDMENTS RELATED TO SECTION 1351  
15           OF THE ACT.—Subparagraphs (A)(ii) and (B)(ii) of  
16           section 41(f)(1) are each amended by striking  
17           “qualified research expenses and basic research pay-  
18           ments” and inserting “qualified research expenses,  
19           basic research payments, and amounts paid or in-  
20           curred to energy research consortiums,”.

21           (3) EFFECTIVE DATE.—The amendments made  
22           by this subsection shall take effect as if included in  
23           the provisions of the Energy Policy Act of 2005 to  
24           which they relate.

1 (f) CLERICAL AMENDMENTS RELATED TO THE  
2 AMERICAN JOBS CREATION ACT OF 2004.—

3 (1) AMENDMENT RELATED TO SECTION 413 OF  
4 THE ACT.—Subsection (b) of section 1298 is amend-  
5 ed by striking paragraph (7) and by redesignating  
6 paragraphs (8) and (9) as paragraphs (7) and (8),  
7 respectively.

8 (2) AMENDMENT RELATED TO SECTION 895 OF  
9 THE ACT.—Clause (iv) of section 904(f)(3)(D) is  
10 amended by striking “a controlled group” and in-  
11 sserting “an affiliated group”.

12 (3) EFFECTIVE DATE.—The amendments made  
13 by this subsection shall take effect as if included in  
14 the provisions of the American Jobs Creation Act of  
15 2004 to which they relate.

16 (g) CLERICAL AMENDMENTS RELATED TO THE FSC  
17 REPEAL AND EXTRATERRITORIAL INCOME EXCLUSION  
18 ACT OF 2000.—

19 (1) Subclause (I) of section 56(g)(4)(C)(ii) is  
20 amended by striking “921” and inserting “921 (as  
21 in effect before its repeal by the FSC Repeal and  
22 Extraterritorial Income Exclusion Act of 2000)”.

23 (2) Clause (iv) of section 54(g)(4)(C) is amend-  
24 ed by striking “a cooperative described in section  
25 927(a)(4)” and inserting “an organization to which

1 part I of subchapter T (relating to tax treatment of  
2 cooperatives) applies which is engaged in the mar-  
3 keting of agricultural or horticultural products”.

4 (3) Paragraph (4) of section 245(c) is amended  
5 by adding at the end the following new subpara-  
6 graph:

7 “(C) FSC.—The term ‘FSC’ has the  
8 meaning given such term by section 922.”.

9 (4) Subsection (c) of section 245 is amended by  
10 inserting at the end the following new paragraph:

11 “(5) REFERENCES TO PRIOR LAW.—Any ref-  
12 erence in this subsection to section 922, 923, or 927  
13 shall be treated as a reference to such section as in  
14 effect before its repeal by the FSC Repeal and  
15 Extraterritorial Income Exclusion Act of 2000.”.

16 (5) Paragraph (4) of section 275(a) is amended  
17 by striking “if” and all that follows and inserting “if  
18 the taxpayer chooses to take to any extent the bene-  
19 fits of section 901.”.

20 (6)(A) Subsection (a) of section 291 is amended  
21 by striking paragraph (4) and by redesignating  
22 paragraph (5) as paragraph (4).

23 (B) Paragraph (1) of section 291(c) is amended  
24 by striking “subsection (a)(5)” and inserting “sub-  
25 section (a)(4)”.

1           (7)(A) Paragraph (4) of section 441(b) is  
2 amended by striking “FSC or”.

3           (B) Subsection (h) of section 441 is amended—

4                 (i) by striking “FSC or” each place it ap-  
5 pears, and

6                 (ii) by striking “FSC’S AND” in the head-  
7 ing thereof.

8           (8) Subparagraph (B) of section 884(d)(2) is  
9 amended by inserting before the comma “(as in ef-  
10 fect before their repeal by the FSC Repeal and  
11 Extraterritorial Income Exclusion Act of 2000)”.

12           (9) Section 901 is amended by striking sub-  
13 section (h).

14           (10) Clause (v) of section 904(d)(2)(B) is  
15 amended—

16                 (A) by inserting “and” at the end of sub-  
17 clause (I), by striking subclause (II), and by re-  
18 designating subclause (III) as subclause (II),

19                 (B) by striking “a FSC (or a former  
20 FSC)” in subclause (II) (as so redesignated)  
21 and inserting “a former FSC (as defined in sec-  
22 tion 922)”, and

23                 (C) by adding at the end the following:

24                         “Any reference in subclause (II) to section  
25 922, 923, or 927 shall be treated as a ref-

1           erence to such section as in effect before  
2           its repeal by the FSC Repeal and  
3           Extraterritorial Income Exclusion Act of  
4           2000.”.

5           (11) Subsection (b) of section 906 is amended  
6           by striking paragraph (5) and redesignating para-  
7           graphs (6) and (7) as paragraphs (5) and (6), re-  
8           spectively.

9           (12) Subparagraph (B) of section 936(f)(2) is  
10          amended by striking “FSC or”.

11          (13) Section 951 is amended by striking sub-  
12          section (c) and by redesignating subsection (d) as  
13          subsection (c).

14          (14) Subsection (b) of section 952 is amended  
15          by striking the second sentence.

16          (15)(A) Paragraph (2) of section 956(c) is  
17          amended—

18                 (i) by striking subparagraph (I) and by re-  
19                 designating subparagraphs (J) through (M) as  
20                 subparagraphs (I) through (L), respectively,  
21                 and

22                 (ii) by striking “subparagraphs (J), (K),  
23                 and (L)” in the flush sentence at the end and  
24                 inserting “subparagraphs (I), (J), and (K)”.

1           (B) Clause (ii) of section 954(c)(2)(C) is  
2 amended by striking “section 956(c)(2)(J)” and in-  
3 sserting “section 956(c)(2)(I)”.

4           (16) Paragraph (1) of section 992(a) is amend-  
5 ed by striking subparagraph (E), by inserting “and”  
6 at the end of subparagraph (C), and by striking “,  
7 and” at the end of subparagraph (D) and inserting  
8 a period.

9           (17) Paragraph (5) of section 1248(d) is  
10 amended—

11           (A) by inserting “(as defined in section  
12 922)” after “a FSC”, and

13           (B) by adding at the end the following new  
14 sentence: “Any reference in this paragraph to  
15 section 922, 923, or 927 shall be treated as a  
16 reference to such section as in effect before its  
17 repeal by the FSC Repeal and Extraterritorial  
18 Income Exclusion Act of 2000.”.

19           (18) Subparagraph (D) of section 1297(b)(2) is  
20 amended by striking “foreign trade income of a FSC  
21 or”.

22           (19)(A) Paragraph (1) of section 6011(c) is  
23 amended by striking “or former DISC or a FSC or  
24 former FSC” and inserting “, former DISC, or  
25 former FSC (as defined in section 922 as in effect

1 before its repeal by the FSC Repeal and  
2 Extraterritorial Income Exclusion Act of 2000)”.  
3

4 (B) Subsection (c) of section 6011 is amended  
5 by striking “AND FSC’S” in the heading thereof.  
6

7 (20) Subsection (e) of section 6072 is amended  
8 by striking “a FSC or former FSC” and inserting  
9 “a former FSC (as defined in section 922 as in ef-  
10 fect before its repeal by the FSC Repeal and  
11 Extraterritorial Income Exclusion Act of 2000)”.  
12

13 (21) Section 6686 is amended by inserting  
14 “**FORMER**” before “**FSC**” in the heading thereof.  
15

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