

110TH CONGRESS
1ST SESSION

H. R. 4839

AN ACT

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,*

1 **SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE;**
 2 **TABLE OF CONTENTS.**

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

5 (b) **AMENDMENT OF 1986 CODE.**—Except as other-
 6 wise expressly provided, whenever in this Act an amend-
 7 ment or repeal is expressed in terms of an amendment
 8 to, or repeal of, a section or other provision, the reference
 9 shall be considered to be made to a section or other provi-
 10 sion of the Internal Revenue Code of 1986.

11 (c) **TABLE OF CONTENTS.**—The table of contents of
 12 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. Amendments related to the Economic Growth and Tax Relief Reconciliation Act of 2001.
- Sec. 9. Amendments related to the Tax Relief Extension Act of 1999.
- Sec. 10. Amendment related to the Internal Revenue Service Restructuring and Reform Act of 1998.
- Sec. 11. Clerical corrections.

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

15 (a) **AMENDMENT RELATED TO SECTION 402 OF DI-**
 16 **VISION A OF THE ACT.**—Subparagraph (A) of section
 17 53(e)(2) is amended to read as follows:

1 “(A) IN GENERAL.—The term ‘AMT re-
2 fundable credit amount’ means, with respect to
3 any taxable year, the amount (not in excess of
4 the long-term unused minimum tax credit for
5 such taxable year) equal to the greater of—

6 “(i) \$5,000,

7 “(ii) 20 percent of the long-term un-
8 used minimum tax credit for such taxable
9 year, or

10 “(iii) the amount (if any) of the AMT
11 refundable credit amount determined
12 under this paragraph for the taxpayer’s
13 preceding taxable year (as determined be-
14 fore any reduction under subparagraph
15 (B)).”.

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

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

22 (a) AMENDMENT RELATED TO SECTION 1201 OF
23 THE ACT.—Subparagraph (D) of section 408(d)(8) is
24 amended by striking “all amounts distributed from all in-
25 dividual retirement plans were treated as 1 contract under

1 paragraph (2)(A) for purposes of determining the inclu-
2 sion of such distribution under section 72” and inserting
3 “all amounts in all individual retirement plans of the indi-
4 vidual were distributed during such taxable year and all
5 such plans were treated as 1 contract for purposes of de-
6 termining under section 72 the aggregate amount which
7 would have been so includible”.

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

11 “(4) APPLICATION OF LIMITATION ON CHARIT-
12 TABLE CONTRIBUTIONS.—In the case of any chari-
13 table contribution of property to which the second
14 sentence of section 1367(a)(2) applies, paragraph
15 (1) shall not apply to the extent of the excess (if
16 any) of—

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

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

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

1 (d) AMENDMENTS RELATED TO SECTION 1218 OF
2 THE ACT.—

3 (1) Section 2055 is amended by striking sub-
4 section (g) and by redesignating subsection (h) as
5 subsection (g).

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

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

9 (B) by redesignating paragraph (3) as
10 paragraph (2), and

11 (C) by adding at the end of paragraph (2),
12 as so redesignated, the following new subpara-
13 graph:

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

22 (e) AMENDMENTS RELATED TO SECTION 1219 OF
23 THE ACT.—

24 (1) Paragraph (2) of section 6695A(a) is
25 amended by inserting “a substantial estate or gift

1 tax valuation understatement (within the meaning of
2 section 6662(g)),” before “or a gross valuation
3 misstatement”.

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

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

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

15 (g) AMENDMENT RELATED TO SECTION 1225 OF
16 THE ACT.—

17 (1) Subsection (b) of section 6104 is amend-
18 ed—

19 (A) by striking “INFORMATION” in the
20 heading, and

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

22 “Any annual return which is filed under section
23 6011 by an organization described in section
24 501(c)(3) and which relates to any tax imposed
25 by section 511 (relating to imposition of tax on

1 unrelated business income of charitable, etc.,
2 organizations) shall be treated for purposes of
3 this subsection in the same manner as if fur-
4 nished under section 6033.”.

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

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

14 (3) Paragraph (2) of section 6104(d) is amend-
15 ed by striking “section 6033” and inserting “section
16 6011 or 6033”.

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

20 (i) AMENDMENT RELATED TO SECTION 1242 OF THE
21 ACT.—

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

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

3 “(ii) EXCEPTION.—Such term shall
4 not include—

5 “(I) any organization described
6 in paragraph (1), (2), or (4) of section
7 509(a), and

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

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

19 **SEC. 4. AMENDMENTS RELATED TO THE TAX INCREASE**
20 **PREVENTION AND RECONCILIATION ACT OF**
21 **2005.**

22 (a) AMENDMENTS RELATED TO SECTION 103 OF
23 THE ACT.—Paragraph (6) of section 954(c) is amended
24 by redesignating subparagraph (B) as subparagraph (C)

1 and inserting after subparagraph (A) the following new
2 subparagraph:

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

10 (b) AMENDMENTS RELATED TO SECTION 202 OF
11 THE ACT.—

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

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

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

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

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

1 “(B) SEPARATE AFFILIATED GROUP.—For
2 purposes of this paragraph, the term ‘separate
3 affiliated group’ means, with respect to any cor-
4 poration, the affiliated group which would be
5 determined under section 1504(a) if such cor-
6 poration were the common parent and section
7 1504(b) did not apply.

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

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

1 nection with the application of this para-
2 graph.”.

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

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

12 “(f) DETERMINATION OF TAX LIABILITY.—

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

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

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

1 “(ii) the tax which would be imposed
2 by section 1 for such taxable year if the
3 taxpayer’s taxable income were equal to
4 the amount excluded under subsection (a)
5 for such taxable year, and

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

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

19 “(ii) the amount which would be de-
20 termined under such sentence for such tax-
21 able year if the taxpayer’s taxable excess
22 (as so defined) were equal to the amount
23 excluded under subsection (a) for such tax-
24 able year.

25 “(2) SPECIAL RULES.—

1 “(A) REGULAR TAX.—In applying section
2 1(h) for purposes of determining the tax under
3 paragraph (1)(A)(i) for any taxable year in
4 which, without regard to this subsection, the
5 taxpayer’s net capital gain exceeds taxable in-
6 come (hereafter in this subparagraph referred
7 to as the capital gain excess)—

8 “(i) the taxpayer’s net capital gain
9 (determined without regard to section
10 1(h)(11)) shall be reduced (but not below
11 zero) by such capital gain excess,

12 “(ii) the taxpayer’s qualified dividend
13 income shall be reduced by so much of
14 such capital gain excess as exceeds the tax-
15 payer’s net capital gain (determined with-
16 out regard to section 1(h)(11) and the re-
17 duction under clause (i)), and

18 “(iii) adjusted net capital gain,
19 unrecaptured section 1250 gain, and 28-
20 percent rate gain shall each be determined
21 after increasing the amount described in
22 section 1(h)(4)(B) by such capital gain ex-
23 cess.

24 “(B) ALTERNATIVE MINIMUM TAX.—In
25 applying section 55(b)(3) for purposes of deter-

1 mining the tax under paragraph (1)(B)(i) for
2 any taxable year in which, without regard to
3 this subsection, the taxpayer's net capital gain
4 exceeds the taxable excess (as defined in section
5 55(b)(1)(A)(ii))—

6 “(i) the rules of subparagraph (A)
7 shall apply, except that such subparagraph
8 shall be applied by substituting ‘the tax-
9 able excess (as defined in section
10 55(b)(1)(A)(ii))’ for ‘taxable income’, and

11 “(ii) the reference in section
12 55(b)(3)(B) to the excess described in sec-
13 tion 1(h)(1)(B) shall be treated as a ref-
14 erence to such excess as determined under
15 the rules of subparagraph (A) for purposes
16 of determining the tax under paragraph
17 (1)(A)(i).

18 “(C) DEFINITIONS.—Terms used in this
19 paragraph which are also used in section 1(h)
20 shall have the respective meanings given such
21 terms by section 1(h), except that in applying
22 subparagraph (B) the adjustments under part
23 VI of subchapter A shall be taken into ac-
24 count.”.

25 (d) EFFECTIVE DATE.—

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

6 (2) MODIFICATION OF ACTIVE BUSINESS DEFINI-
7 TION UNDER SECTION 355.—

8 (A) IN GENERAL.—Except as otherwise
9 provided in this paragraph, the amendments
10 made by subsection (b) shall apply to distribu-
11 tions made after May 17, 2006.

12 (B) TRANSITION RULE.—The amendments
13 made by subsection (b) shall not apply to any
14 distribution pursuant to a transaction which
15 is—

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

19 (ii) described in a ruling request sub-
20 mitted to the Internal Revenue Service on
21 or before such date, or

22 (iii) described on or before such date
23 in a public announcement or in a filing
24 with the Securities and Exchange Commis-
25 sion.

1 (C) ELECTION OUT OF TRANSITION
2 RULE.—Subparagraph (B) shall not apply if
3 the distributing corporation elects not to have
4 such subparagraph apply to distributions of
5 such corporation. Any such election, once made,
6 shall be irrevocable.

7 (D) SPECIAL RULE FOR CERTAIN PRE-EN-
8 ACTMENT DISTRIBUTIONS.—For purposes of
9 determining the continued qualification under
10 section 355(b)(2)(A) of the Internal Revenue
11 Code of 1986 of distributions made on or before
12 May 17, 2006, as a result of an acquisition, dis-
13 position, or other restructuring after such date,
14 such distribution shall be treated as made on
15 the date of such acquisition, disposition, or re-
16 structuring for purposes of applying subpara-
17 graphs (A) through (C) of this paragraph. The
18 preceding sentence shall only apply with respect
19 to the corporation that undertakes such acquisi-
20 tion, disposition, or other restructuring, and
21 only if such application results in continued
22 qualification under section 355(b)(2)(A) of such
23 Code.

24 (3) AMENDMENT RELATED TO SECTION 515 OF
25 THE ACT.—The amendment made by subsection (c)

1 shall apply to taxable years beginning after Decem-
2 ber 31, 2006.

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

6 (a) AMENDMENTS RELATED TO SECTION 11113 OF
7 THE ACT.—

8 (1) Paragraph (3) of section 6427(i) is amend-
9 ed—

10 (A) by inserting “or under subsection
11 (e)(2) by any person with respect to an alter-
12 native fuel (as defined in section 6426(d)(2))”
13 after “section 6426” in subparagraph (A),

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

17 (C) by striking “ALCOHOL FUEL AND BIO-
18 DIESEL MIXTURE CREDIT” and inserting “MIX-
19 TURE CREDITS AND THE ALTERNATIVE FUEL
20 CREDIT” in the heading thereof.

21 (2) Subparagraph (F) of section 6426(d)(2) is
22 amended by striking “hydrocarbons” and inserting
23 “fuel”.

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

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

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

8 **SEC. 6. AMENDMENTS RELATED TO THE ENERGY POLICY**
9 **ACT OF 2005.**

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

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

17 (b) AMENDMENTS RELATED TO SECTION 1342 OF
18 THE ACT.—

19 (1) So much of subsection (b) of section 30C as
20 precedes paragraph (1) thereof is amended to read
21 as follows:

22 “(b) LIMITATION.—The credit allowed under sub-
23 section (a) with respect to all qualified alternative fuel ve-
24 hicle refueling property placed in service by the taxpayer

1 during the taxable year at a location shall not
2 exceed—”.

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

5 “(c) QUALIFIED ALTERNATIVE FUEL VEHICLE RE-
6 FUELING PROPERTY.—For purposes of this section, the
7 term ‘qualified alternative fuel vehicle refueling property’
8 has the same meaning as the term ‘qualified clean-fuel ve-
9 hicle refueling property’ would have under section 179A
10 if—

11 “(1) paragraph (1) of section 179A(d) did not
12 apply to property installed on property which is used
13 as the principal residence (within the meaning of
14 section 121) of the taxpayer, and

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

17 “(A) Any fuel at least 85 percent of the
18 volume of which consists of one or more of the
19 following: ethanol, natural gas, compressed nat-
20 ural gas, liquified natural gas, liquefied petro-
21 leum gas, or hydrogen.

22 “(B) Any mixture—

23 “(i) which consists of two or more of
24 the following: biodiesel (as defined in sec-

1 tion 40A(d)(1)), diesel fuel (as defined in
2 section 4083(a)(3)), or kerosene, and

3 “(ii) at least 20 percent of the volume
4 of which consists of biodiesel (as so de-
5 fined) determined without regard to any
6 kerosene in such mixture.”.

7 (c) AMENDMENTS RELATED TO SECTION 1351 OF
8 THE ACT.—

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

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

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

18 (d) AMENDMENTS RELATED TO SECTION 1362 OF
19 THE ACT.—

20 (1)(A) Paragraph (1) of section 4041(d) is
21 amended by adding at the end the following new
22 sentence: “No tax shall be imposed under the pre-
23 ceding sentence on the sale or use of any liquid if
24 tax was imposed with respect to such liquid under

1 section 4081 at the Leaking Underground Storage
2 Tank Trust Fund financing rate.”.

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

5 “(3) EXCEPTION FOR FUEL ON WHICH LEAK-
6 ING UNDERGROUND STORAGE TANK TRUST FUND FI-
7 NANCING RATE SEPARATELY IMPOSED.—The Leak-
8 ing Underground Storage Tank Trust Fund financ-
9 ing rate under paragraph (2)(B) shall not apply to
10 the use of any fuel if tax was imposed with respect
11 to such fuel under section 4041(d) or 4081 at the
12 Leaking Underground Storage Tank Trust Fund fi-
13 nancing rate.”.

14 (C) Notwithstanding section 6430 of the Inter-
15 nal Revenue Code of 1986, a refund, credit, or pay-
16 ment may be made under subchapter B of chapter
17 65 of such Code for taxes imposed with respect to
18 any liquid after September 30, 2005, and before the
19 date of the enactment of this Act under section
20 4041(d)(1) or 4042 of such Code at the Leaking
21 Underground Storage Tank Trust Fund financing
22 rate to the extent that tax was imposed with respect
23 to such liquid under section 4081 at the Leaking
24 Underground Storage Tank Trust Fund financing
25 rate.

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

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

6 (ii) by adding at the end the following new
7 sentence: “The preceding sentence shall not
8 apply with respect to subsection (g)(3) and so
9 much of subsection (g)(1) as relates to vessels
10 (within the meaning of section 4221(d)(3)) em-
11 ployed in foreign trade or trade between the
12 United States and any of its possessions.”.

13 (B) Section 4082 is amended—

14 (i) by striking “(other than such tax at the
15 Leaking Underground Storage Tank Trust
16 Fund financing rate imposed in all cases other
17 than for export)” in subsection (a), and

18 (ii) by redesignating subsections (f) and
19 (g) as subsections (g) and (h), respectively, and
20 by inserting after subsection (e) the following
21 new subsection:

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

24 “(1) IN GENERAL.—Subsection (a) shall not
25 apply to the tax imposed under section 4081 at the

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

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

10 (C) Subsection (e) of section 4082 is amend-
11 ed—

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

15 “(1) the rate of tax under section
16 4081(a)(2)(A)(iii) shall be zero, and

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

21 (ii) by moving the last sentence flush with
22 the margin of such subsection (following the
23 paragraph (2) added by clause (i)).

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

1 **“SEC. 6430. TREATMENT OF TAX IMPOSED AT LEAKING UN-**
2 **DERGROUND STORAGE TANK TRUST FUND**
3 **FINANCING RATE.**

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

8 “(1) which are exempt from tax under section
9 4081(a) by reason of section 4082(f)(2),

10 “(2) which are exempt from tax under section
11 4041(d) by reason of the last sentence of paragraph
12 (5) thereof, or

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

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

18 (e) EFFECTIVE DATE.—

19 (1) IN GENERAL.—Except as otherwise pro-
20 vided in this subsection, the amendments made by
21 this section shall take effect as if included in the
22 provisions of the Energy Policy Act of 2005 to which
23 they relate.

24 (2) NONAPPLICATION OF EXEMPTION FOR OFF-
25 HIGHWAY BUSINESS USE.—The amendment made by

1 subsection (d)(3) shall apply to fuel sold for use or
2 used after the date of the enactment of this Act.

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

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

9 (a) AMENDMENTS RELATED TO SECTION 339 OF
10 THE ACT.—

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

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

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

21 (C) Subsection (a) of section 1016 is amended
22 by striking paragraph (31) and by redesignating
23 paragraphs (32) through (37) as paragraphs (31)
24 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 (b) 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 (c) 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 (d) 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 serting “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 (e) 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. AMENDMENTS RELATED TO THE ECONOMIC**
5 **GROWTH AND TAX RELIEF RECONCILIATION**
6 **ACT OF 2001.**

7 (a) AMENDMENTS RELATED TO SECTION 617 OF
8 THE ACT.—

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

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

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

21 **SEC. 9. AMENDMENTS RELATED TO THE TAX RELIEF EX-**
22 **TENSION ACT OF 1999.**

23 (a) AMENDMENT RELATED TO SECTION 507 OF THE
24 ACT.—Clause (i) of section 45(e)(7)(A) is amended by

1 striking “placed in service by the taxpayer” and inserting
2 “originally placed in service”.

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

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

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

17 **SEC. 10. AMENDMENT RELATED TO THE INTERNAL REV-**
18 **ENUE SERVICE RESTRUCTURING AND RE-**
19 **FORM ACT OF 1998.**

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

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

5 **SEC. 11. CLERICAL CORRECTIONS.**

6 (a) IN GENERAL.—

7 (1) Paragraph (5) of section 21(e) is amended
8 by striking “section 152(e)(3)(A)” in the flush mat-
9 ter after subparagraph (B) and inserting “section
10 152(e)(4)(A)”.

11 (2) Paragraph (3) of section 25C(e) is amended
12 by striking “section 3280” and inserting “part
13 3280”.

14 (3) Paragraph (2) of section 26(b) is amended
15 by redesignating subparagraphs (S) and (T) as sub-
16 subparagraphs (U) and (V), respectively, and by insert-
17 ing after subparagraph (R) the following new sub-
18 paragraphs:

19 “(S) sections 106(e)(3)(A)(ii),
20 223(b)(8)(B)(i)(II), and 408(d)(9)(D)(i)(II)
21 (relating to certain failures to maintain high de-
22 ductible health plan coverage),

23 “(T) section 170(o)(3)(B) (relating to re-
24 capture of certain deductions for fractional
25 gifts),”.

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

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

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

7 (A) otherwise than as a fuel in a highway vehi-
8 cle or (B) in vehicles while engaged in fur-
9 nishing certain public passenger land transpor-
10 tation service”, and

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

14 (5) Paragraph (2) of section 35(d) is amend-
15 ed—

16 (A) by striking “paragraph (2) or (4) of”,
17 and

18 (B) by striking “(within the meaning of
19 section 152(e)(1))” and inserting “(as defined
20 in section 152(e)(4)(A))”.

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

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

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

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

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

6 (8) Subsection (c) of section 48 is amended by
7 striking “subsection” in the text preceding para-
8 graph (1) and inserting “section”.

9 (9) Paragraphs (1)(B) and (2)(B) of section
10 48(c) are each amended by striking “paragraph (1)”
11 and inserting “subsection (a)”.

12 (10) Clause (ii) of section 48A(d)(4)(B) is
13 amended by striking “subsection” both places it ap-
14 pears.

15 (11)(A) Paragraph (9) of section 121(d) is
16 amended by adding at the end the following new
17 subparagraph:

18 “(E) TERMINATION WITH RESPECT TO EM-
19 PLOYEES OF INTELLIGENCE COMMUNITY.—
20 Clause (iii) of subparagraph (A) shall not apply
21 with respect to any sale or exchange after De-
22 cember 31, 2010.”.

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

1 (12) The last sentence of section 125(b)(2) is
2 amended by striking “last sentence” and inserting
3 “second sentence”.

4 (13) Subclause (II) of section 167(g)(8)(C)(ii)
5 is amended by striking “section 263A(j)(2)” and in-
6 serting “section 263A(i)(2)”.

7 (14)(A) Clause (vii) of section 170(b)(1)(A) is
8 amended by striking “subparagraph (E)” and insert-
9 ing “subparagraph (F)”.

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

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

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

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

22 (16)(A) Subparagraph (A) of section 170(o)(1)
23 and subparagraph (A) of section 2522(e)(1) are
24 each amended by striking “all interest in the prop-

1 erty is” and inserting “all interests in the property
2 are”.

3 (B) Section 170(o)(3)(A)(i), and section
4 2522(e)(2)(A)(i) (as redesignated by section
5 3(d)(2)), are each amended—

6 (i) by striking “interest” and inserting “in-
7 terests”, and

8 (ii) by striking “before” and inserting “on
9 or before”.

10 (17)(A) Subparagraph (C) of section 852(b)(4)
11 is amended to read as follows:

12 “(C) DETERMINATION OF HOLDING PERI-
13 ODS.—For purposes of this paragraph, in deter-
14 mining the period for which the taxpayer has
15 held any share of stock—

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

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

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

24 “(B) DETERMINATION OF HOLDING PERI-
25 ODS.—For purposes of this paragraph, in deter-

1 mining the period for which the taxpayer has
2 held any share of stock or beneficial interest—

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

5 “(ii) there shall not be taken into ac-
6 count any day which is more than 6
7 months after the date on which such share
8 or interest becomes ex-dividend.”.

9 (18) Paragraph (2) of section 856(l) is amend-
10 ed by striking the last sentence and inserting the fol-
11 lowing: “For purposes of subparagraph (B), securi-
12 ties described in subsection (m)(2)(A) shall not be
13 taken into account.”.

14 (19) Subparagraph (F) of section 954(c)(1) is
15 amended to read as follows:

16 “(F) INCOME FROM NOTIONAL PRINCIPAL
17 CONTRACTS.—

18 “(i) IN GENERAL.—Net income from
19 notional principal contracts.

20 “(ii) COORDINATION WITH OTHER
21 CATEGORIES OF FOREIGN PERSONAL
22 HOLDING COMPANY INCOME.—Any item of
23 income, gain, deduction, or loss from a no-
24 tional principal contract entered into for
25 purposes of hedging any item described in

1 any preceding subparagraph shall not be
2 taken into account for purposes of this
3 subparagraph but shall be taken into ac-
4 count under such other subparagraph.”.

5 (20) Paragraph (1) of section 954(c) is amend-
6 ed by redesignating subparagraph (I) as subpara-
7 graph (H).

8 (21) Paragraph (33) of section 1016(a), as re-
9 designated by section 7(a)(1)(C), is amended by
10 striking “section 25C(e)” and inserting “section
11 25C(f)”.

12 (22) Paragraph (36) of section 1016(a), as re-
13 designated by section 7(a)(1)(C), is amended by
14 striking “section 30C(f)” and inserting “section
15 30C(e)(1)”.

16 (23) Subparagraph (G) of section 1260(c)(2) is
17 amended by adding “and” at the end.

18 (24)(A) Section 1297 is amended by striking
19 subsection (d) and by redesignating subsections (e)
20 and (f) as subsections (d) and (e), respectively.

21 (B) Subparagraph (G) of section 1260(c)(2) is
22 amended by striking “subsection (e)” and inserting
23 “subsection (d)”.

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

4 (25) Paragraph (1) of section 1362(f) is
5 amended—

6 (A) by striking “, section
7 1361(b)(3)(B)(ii), or section 1361(c)(1)(A)(ii)”
8 and inserting “or section 1361(b)(3)(B)(ii)”,
9 and

10 (B) by striking “, section 1361(b)(3)(C),
11 or section 1361(c)(1)(D)(iii)” in subparagraph
12 (B) and inserting “or section 1361(b)(3)(C)”.

13 (26) Paragraph (2) of section 1400O is amend-
14 ed by striking “under of” and inserting “under”.

15 (27) The table of sections for part II of sub-
16 chapter Y of chapter 1 is amended by adding at the
17 end the following new item:

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

18 (28) Subsection (b) of section 4082 is amended
19 to read as follows:

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

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

25 “(2) any use in a train, and

1 “(3) any use described in section
2 4041(a)(1)(C)(iii)(II).

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

6 (29) Paragraph (4) of section 4101(a) (relating
7 to registration in event of change of ownership) is
8 redesignated as paragraph (5).

9 (30) Paragraph (6) of section 4965(e) is
10 amended by striking “section 4457(e)(1)(A)” and
11 inserting “section 457(e)(1)(A)”.

12 (31) Subpart C of part II of subchapter A of
13 chapter 51 is amended by redesignating section
14 5432 (relating to recordkeeping by wholesale deal-
15 ers) as section 5121.

16 (32) Paragraph (2) of section 5732(c), as re-
17 designated by section 11125(b)(20)(A) of the
18 SAFETEA-LU, is amended by striking “this sub-
19 part” and inserting “this subchapter”.

20 (33) Subsection (b) of section 6046 is amend-
21 ed—

22 (A) by striking “subsection (a)(1)” and in-
23 serting “subsection (a)(1)(A)”, and

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

4 (34)(A) Subparagraph (A) of section
5 6103(b)(5) is amended by striking “the Canal
6 Zone,”.

7 (B) Section 7651 is amended by striking para-
8 graph (4) and by redesignating paragraph (5) as
9 paragraph (4).

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

13 (36) Subparagraphs (A) and (B) of section
14 6230(a)(3) are each amended by striking “section
15 6013(e)” and inserting “section 6015”.

16 (37) Paragraph (3) of section 6427(e) (relating
17 to termination), as added by section 11113 of the
18 SAFETEA-LU, is redesignated as paragraph (5)
19 and moved after paragraph (4).

20 (38) Clause (ii) of section 6427(l)(4)(A) is
21 amended by striking “section 4081(a)(2)(iii)” and
22 inserting “section 4081(a)(2)(A)(iii)”.

23 (39)(A) Section 6427, as amended by section
24 1343(b)(1) of the Energy Policy Act of 2005, is
25 amended by striking subsection (p) (relating to gas-

1 ohol used in noncommercial aviation) and redesignig-
2 nating subsection (q) as subsection (p).

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

7 (40) Subsection (a) of section 6695A is amend-
8 ed by striking “then such person” in paragraph (2)
9 and inserting the following:
10 “then such person”.

11 (41) Subparagraph (C) of section 6707A(e)(2)
12 is amended by striking “section 6662A(e)(2)(C)”
13 and inserting “section 6662A(e)(2)(B)”.

14 (42)(A) Paragraph (3) of section 9002 is
15 amended by striking “section 309(a)(1)” and insert-
16 ing “section 306(a)(1)”.

17 (B) Paragraph (1) of section 9004(a) is amend-
18 ed by striking “section 320(b)(1)(B)” and inserting
19 “section 315(b)(1)(B)”.

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

23 (D) Subsection (b) of section 9034 is amended
24 by striking “section 320(b)(1)(A)” and inserting
25 “section 315(b)(1)(A)”.

1 (43) Section 9006 is amended by striking
2 “Comptroller General” each place it appears and in-
3 serting “Commission”.

4 (44) Subsection (c) of section 9503 is amended
5 by redesignating paragraph (7) (relating to transfers
6 from the trust fund for certain aviation fuels taxes)
7 as paragraph (6).

8 (45) Paragraph (1) of section 1301(g) of the
9 Energy Policy Act of 2005 is amended by striking
10 “shall take effect of the date of the enactment” and
11 inserting “shall take effect on the date of the enact-
12 ment”.

13 (46) The Internal Revenue Code of 1986 shall
14 be applied and administered as if the amendments
15 made by section 1(a) of Public Law 109–433 had
16 never been enacted.

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

19 (1) AMENDMENT RELATED TO SECTION 209 OF
20 DIVISION A OF THE ACT.—Paragraph (3) of section
21 168(l) is amended by striking “enzymatic”.

22 (2) AMENDMENTS RELATED TO SECTION 419 OF
23 DIVISION A OF THE ACT.—

1 (A) Clause (iv) of section 6724(d)(1)(B) is
2 amended by inserting “or (h)(1)” after “section
3 6050H(a)”.

4 (B) Subparagraph (K) of section
5 6724(d)(2) is amended by inserting “or (h)(2)”
6 after “section 6050H(d)”.

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

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

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

16 (A) by striking “the excess (if any) of” in
17 the matter preceding clause (i) and inserting
18 “the greater of”, and

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

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

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

4 (1) AMENDMENTS RELATED TO SECTION 11163
5 OF THE ACT.—Subparagraph (C) of section
6 6416(a)(4) is amended—

7 (A) by striking “ultimate vendor” and all
8 that follows through “has certified” and insert-
9 ing “ultimate vendor or credit card issuer has
10 certified”, and

11 (B) by striking “all ultimate purchasers of
12 the vendor” and all that follows through “are
13 certified” and inserting “all ultimate purchasers
14 of the vendor or credit card issuer are cer-
15 tified”.

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

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

23 (1) AMENDMENT RELATED TO SECTION 1344 OF
24 THE ACT.—Subparagraph (B) of section 6427(e)(5),

1 as redesignated by subsection (a)(37), is amended by
2 striking “2006” and inserting “2008”.

3 (2) AMENDMENTS RELATED TO SECTION 1351
4 OF THE ACT.—Subparagraphs (A)(ii) and (B)(ii) of
5 section 41(f)(1) are each amended by striking
6 “qualified research expenses and basic research pay-
7 ments” and inserting “qualified research expenses,
8 basic research payments, and amounts paid or in-
9 curred to energy research consortiums,”.

10 (3) EFFECTIVE DATE.—The amendments made
11 by this subsection shall take effect as if included in
12 the provisions of the Energy Policy Act of 2005 to
13 which they relate.

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

16 (1) AMENDMENT RELATED TO SECTION 301 OF
17 THE ACT.—Section 9502 is amended by striking
18 subsection (e) and redesignating subsection (f) as
19 subsection (e).

20 (2) AMENDMENT RELATED TO SECTION 413 OF
21 THE ACT.—Subsection (b) of section 1298 is amend-
22 ed by striking paragraph (7) and by redesignating
23 paragraphs (8) and (9) as paragraphs (7) and (8),
24 respectively.

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

5 (4) EFFECTIVE DATE.—The amendments made
6 by this subsection shall take effect as if included in
7 the provisions of the American Jobs Creation Act of
8 2004 to which they relate.

9 (g) CLERICAL AMENDMENTS RELATED TO THE FSC
10 REPEAL AND EXTRATERRITORIAL INCOME EXCLUSION
11 ACT OF 2000.—

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

16 (2) Clause (iv) of section 54(g)(4)(C) is amend-
17 ed by striking “a cooperative described in section
18 927(a)(4)” and inserting “an organization to which
19 part I of subchapter T (relating to tax treatment of
20 cooperatives) applies which is engaged in the mar-
21 keting of agricultural or horticultural products”.

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

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

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

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

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

14 (6)(A) Subsection (a) of section 291 is amended
15 by striking paragraph (4) and by redesignating
16 paragraph (5) as paragraph (4).

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

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

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

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

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

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

7 (9) Section 901 is amended by striking sub-
8 section (h).

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

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

14 (B) by striking “a FSC (or a former
15 FSC)” in subclause (II) (as so redesignated)
16 and inserting “a former FSC (as defined in sec-
17 tion 922)”, and

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

19 “Any reference in subclause (II) to section
20 922, 923, or 927 shall be treated as a ref-
21 erence to such section as in effect before
22 its repeal by the FSC Repeal and
23 Extraterritorial Income Exclusion Act of
24 2000.”.

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

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

7 (13) Section 951 is amended by striking sub-
8 section (c) and by redesignating subsection (d) as
9 subsection (c).

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

12 (15)(A) Paragraph (2) of section 956(c) is
13 amended—

14 (i) by striking subparagraph (I) and by re-
15 designating subparagraphs (J) through (M) as
16 subparagraphs (I) through (L), respectively,
17 and

18 (ii) by striking “subparagraphs (J), (K),
19 and (L)” in the flush sentence at the end and
20 inserting “subparagraphs (I), (J), and (K)”.

21 (B) Clause (ii) of section 954(c)(2)(C) is
22 amended by striking “section 956(c)(2)(J)” and in-
23 serting “section 956(c)(2)(I)”.

24 (16) Paragraph (1) of section 992(a) is amend-
25 ed by striking subparagraph (E), by inserting “and”

1 at the end of subparagraph (C), and by striking “,
2 and” at the end of subparagraph (D) and inserting
3 a period.

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

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

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

14 (18) Subparagraph (D) of section 1297(b)(2) is
15 amended by striking “foreign trade income of a FSC
16 or”.

17 (19)(A) Paragraph (1) of section 6011(c) is
18 amended by striking “or former DISC or a FSC or
19 former FSC” and inserting “, former DISC, or
20 former FSC (as defined in section 922 as in effect
21 before its repeal by the FSC Repeal and
22 Extraterritorial Income Exclusion Act of 2000)”.

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

1 (20) Subsection (c) of section 6072 is amended
2 by striking “a FSC or former FSC” and inserting
3 “a former FSC (as defined in section 922 as in ef-
4 fect before its repeal by the FSC Repeal and
5 Extraterritorial Income Exclusion Act of 2000)”.

6 (21) Section 6686 is amended by inserting
7 “FORMER” before “FSC” in the heading thereof.

 Passed the House of Representatives December 19,
2007.

Attest:

Clerk.

110TH CONGRESS
1ST SESSION

H. R. 4839

AN ACT

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