

AMENDMENT

OFFERED BY MR. DOGGETT OF TEXAS

In lieu of the matter proposed to be inserted, insert the following:

1 **SEC. 1. SHORT TITLE; ETC.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Less Debt/More Jobs Act of 2010”.

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

10 (c) **TABLE OF CONTENTS.**—The table of contents for
11 this Act is as follows:

Sec. 1. Short title; etc.

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

Sec. 101. Temporary extension of 2001 tax relief.

Sec. 102. Temporary extension of 2003 tax relief.

Sec. 103. Temporary extension of 2009 tax relief.

TITLE II—EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF

Sec. 201. Extension of alternative minimum tax relief for nonrefundable personal credits.

Sec. 202. Extension of increased alternative minimum tax exemption amount.

TITLE III—SPECIAL RULES FOR HIGH INCOME INDIVIDUALS

Sec. 301. Certain provisions not applicable to high income individuals.

Sec. 302. Related amendments.

Sec. 303. Application of EGTRRA sunset to this title.

TITLE IV—TEMPORARY ESTATE TAX RELIEF

Sec. 401. Reinstatement of estate tax; repeal of carryover basis.

Sec. 402. Modifications to estate, gift, and generation-skipping transfer taxes.

Sec. 403. Application of EGTRRA sunset to this title.

TITLE V—TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE AND RELATED MATTERS

Sec. 501. Temporary extension of unemployment insurance provisions.

Sec. 502. Temporary modification of indicators under the extended benefit program.

Sec. 503. Technical amendment relating to collection of unemployment compensation debts.

Sec. 504. Technical correction relating to repeal of continued dumping and subsidy offset.

Sec. 505. Additional extended unemployment benefits under the Railroad Unemployment Insurance Act.

TITLE VI—EXTENSION OF CERTAIN EXPIRING PROVISIONS

Subtitle A—Energy

Sec. 601. Incentives for biodiesel and renewable diesel.

Sec. 602. Credit for refined coal facilities.

Sec. 603. New energy efficient home credit.

Sec. 604. Excise tax credits and outlay payments for alternative fuel and alternative fuel mixtures.

Sec. 605. Special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities.

Sec. 606. Suspension of limitation on percentage depletion for oil and gas from marginal wells.

Sec. 607. Extension of grants for specified energy property in lieu of tax credits.

Sec. 608. Extension of provisions related to alcohol used as fuel.

Sec. 609. Energy efficient appliance credit.

Sec. 610. Credit for nonbusiness energy property.

Sec. 611. Alternative fuel vehicle refueling property.

Sec. 612. Additional allocations for qualifying advanced energy project credit.

Sec. 613. Reduced rate for ethanol blenders.

Subtitle B—Individual Tax Relief

Sec. 621. Deduction for certain expenses of elementary and secondary school teachers.

Sec. 622. Deduction of State and local sales taxes.

Sec. 623. Contributions of capital gain real property made for conservation purposes.

Sec. 624. Above-the-line deduction for qualified tuition and related expenses.

Sec. 625. Tax-free distributions from individual retirement plans for charitable purposes.

Sec. 626. Look-thru of certain regulated investment company stock in determining gross estate of nonresidents.

Sec. 627. Parity for exclusion from income for employer-provided mass transit and parking benefits.

- Sec. 628. Refunds disregarded in the administration of Federal programs and federally assisted programs.

Subtitle C—Provisions Relating to Business

- Sec. 631. Research credit.
Sec. 632. Indian employment tax credit.
Sec. 633. New markets tax credit.
Sec. 634. Railroad track maintenance credit.
Sec. 635. Mine rescue team training credit.
Sec. 636. Employer wage credit for employees who are active duty members of the uniformed services.
Sec. 637. 15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements.
Sec. 638. 7-year recovery period for motorsports entertainment complexes.
Sec. 639. Accelerated depreciation for business property on an Indian reservation.
Sec. 640. Enhanced charitable deduction for contributions of food inventory.
Sec. 641. Enhanced charitable deduction for contributions of book inventories to public schools.
Sec. 642. Enhanced charitable deduction for corporate contributions of computer inventory for educational purposes.
Sec. 643. Temporary extension of increased small business expensing.
Sec. 644. Election to expense mine safety equipment.
Sec. 645. Special expensing rules for certain film and television productions.
Sec. 646. Expensing of environmental remediation costs.
Sec. 647. Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.
Sec. 648. Modification of tax treatment of certain payments to controlling exempt organizations.
Sec. 649. Treatment of certain dividends of regulated investment companies.
Sec. 650. RIC qualified investment entity treatment under FIRPTA.
Sec. 651. Exceptions for active financing income.
Sec. 652. Look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company rules.
Sec. 653. Basis adjustment to stock of S corps making charitable contributions of property.
Sec. 654. Empowerment zone tax incentives.
Sec. 655. Tax incentives for investment in the District of Columbia.
Sec. 656. Temporary increase in limit on cover over of rum excise taxes to Puerto Rico and the Virgin Islands.
Sec. 657. American Samoa economic development credit.
Sec. 658. Work opportunity credit.
Sec. 659. Qualified zone academy bonds.
Sec. 660. Mortgage insurance premiums.
Sec. 661. Temporary exclusion of 100 percent of gain on certain small business stock.

Subtitle D—Temporary Disaster Relief Provisions

PART I—NEW YORK LIBERTY ZONE

- Sec. 671. Tax-exempt bond financing.

PART II—GO ZONE

- Sec. 681. Increase in rehabilitation credit.
Sec. 682. Low-income housing credit rules for buildings in GO zones.
Sec. 683. Tax-exempt bond financing.
Sec. 684. Bonus depreciation deduction applicable to the GO Zone.

TITLE VII—TAX EXPENDITURE STUDY

- Sec. 701. Findings.
Sec. 702. Study of extended tax expenditures.

1 **TITLE I—TEMPORARY**
2 **EXTENSION OF TAX RELIEF**

3 **SEC. 101. TEMPORARY EXTENSION OF 2001 TAX RELIEF.**

4 (a) TEMPORARY EXTENSION.—

5 (1) IN GENERAL.—Section 901 of the Economic
6 Growth and Tax Relief Reconciliation Act of 2001 is
7 amended by striking “December 31, 2010” both
8 places it appears and inserting “December 31,
9 2012”.

10 (2) EFFECTIVE DATE.—The amendment made
11 by this subsection shall take effect as if included in
12 the enactment of the Economic Growth and Tax Re-
13 lief Reconciliation Act of 2001.

14 (b) SEPARATE SUNSET FOR EXPANSION OF ADOPT-
15 TION BENEFITS UNDER THE PATIENT PROTECTION AND
16 AFFORDABLE CARE ACT.—

17 (1) IN GENERAL.—Subsection (c) of section
18 10909 of the Patient Protection and Affordable Care
19 Act is amended to read as follows:

20 “(c) SUNSET PROVISION.—Each provision of law
21 amended by this section is amended to read as such provi-

1 sion would read if this section had never been enacted.
2 The amendments made by the preceding sentence shall
3 apply to taxable years beginning after December 31,
4 2011.”.

5 (2) CONFORMING AMENDMENT.—Subsection (d)
6 of section 10909 of such Act is amended by striking
7 “The amendments” and inserting “Except as pro-
8 vided in subsection (c), the amendments”.

9 **SEC. 102. TEMPORARY EXTENSION OF 2003 TAX RELIEF.**

10 (a) IN GENERAL.—Section 303 of the Jobs and
11 Growth Tax Relief Reconciliation Act of 2003 is amended
12 by striking “December 31, 2010” and inserting “Decem-
13 ber 31, 2012”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 this section shall take effect as if included in the enact-
16 ment of the Jobs and Growth Tax Relief Reconciliation
17 Act of 2003.

18 **SEC. 103. TEMPORARY EXTENSION OF 2009 TAX RELIEF.**

19 (a) AMERICAN OPPORTUNITY TAX CREDIT.—

20 (1) IN GENERAL.—Section 25A(i) is amended
21 by striking “or 2010” and inserting “, 2010, 2011,
22 or 2012”.

23 (2) TREATMENT OF POSSESSIONS.—Section
24 1004(c)(1) of the American Recovery and Reinvest-
25 ment Tax Act of 2009 is amended by striking “and

1 2010” each place it appears and inserting “, 2010,
2 2011, and 2012”.

3 (b) CHILD TAX CREDIT.—Section 24(d)(4) is amend-
4 ed—

5 (1) by striking “2009 AND 2010” in the head-
6 ing and inserting “2009, 2010, 2011, AND 2012”,
7 and

8 (2) by striking “or 2010” and inserting “,
9 2010, 2011, or 2012”.

10 (c) EARNED INCOME TAX CREDIT.—Section 32(b)(3)
11 is amended—

12 (1) by striking “2009 AND 2010” in the head-
13 ing and inserting “2009, 2010, 2011, AND 2012”,
14 and

15 (2) by striking “or 2010” and inserting “,
16 2010, 2011, or 2012”.

17 (d) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to taxable years beginning after
19 December 31, 2010.

1 **TITLE II—EXTENSION OF ALTER-**
2 **NATIVE MINIMUM TAX RE-**
3 **LIEF**

4 **SEC. 201. EXTENSION OF ALTERNATIVE MINIMUM TAX RE-**
5 **LIEF FOR NONREFUNDABLE PERSONAL**
6 **CREDITS.**

7 (a) IN GENERAL.—Paragraph (2) of section 26(a) is
8 amended—

9 (1) by striking “2000, 2001, 2002, 2003, 2004,
10 2005, 2006, 2007, 2008, or 2009” and inserting
11 “the period beginning with calendar year 2000 and
12 ending with calendar year 2011”, and

13 (2) by striking “2009” in the heading thereof
14 and inserting “2011”.

15 (b) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to taxable years beginning after
17 December 31, 2009.

18 **SEC. 202. EXTENSION OF INCREASED ALTERNATIVE MIN-**
19 **IMUM TAX EXEMPTION AMOUNT.**

20 (a) IN GENERAL.—Paragraph (1) of section 55(d) is
21 amended—

22 (1) by striking “(\$70,950 in the case of taxable
23 years beginning in 2009)” in subparagraph (A) and
24 inserting “(\$72,450 in the case of taxable years be-
25 ginning in 2010 or 2011)”, and

1 (2) by striking “(\$46,700 in the case of taxable
2 years beginning in 2009)” in subparagraph (B) and
3 inserting “(\$47,450 in the case of taxable years be-
4 ginning in 2010 or 2011)”.

5 (b) NONAPPLICATION OF EGTRRA SUNSET.—Sec-
6 tion 901 of the Economic Growth and Tax Relief Rec-
7 onciliation Act of 2001 shall not apply to the amendments
8 made by section 701 of such Act.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to taxable years beginning after
11 December 31, 2009.

12 **TITLE III—SPECIAL RULES FOR** 13 **HIGH INCOME INDIVIDUALS**

14 **SEC. 301. CERTAIN PROVISIONS NOT APPLICABLE TO HIGH** 15 **INCOME INDIVIDUALS.**

16 (a) INDIVIDUAL INCOME TAX RATES.—Subsection (i)
17 of section 1 is amended by striking paragraph (2), by re-
18 designating paragraph (3) as paragraph (4), and by in-
19 serting after paragraph (1) the following new paragraphs:

20 “(2) 25- AND 28-PERCENT RATE BRACKETS.—

21 The tables under subsections (a), (b), (c), (d), and
22 (e) shall be applied—

23 “(A) by substituting ‘25%’ for ‘28%’ each
24 place it appears (before the application of sub-
25 paragraph (B)), and

1 “(B) by substituting ‘28%’ for ‘31%’ each
2 place it appears.

3 “(3) 33-PERCENT RATE BRACKET.—

4 “(A) IN GENERAL.—In the case of taxable
5 years beginning after December 31, 2010—

6 “(i) the rate of tax under subsections
7 (a), (b), (c), and (d) on a taxpayer’s tax-
8 able income in the fourth rate bracket shall
9 be 33 percent to the extent such income
10 does not exceed an amount equal to the ex-
11 cess of—

12 “(I) the applicable amount, over

13 “(II) the dollar amount at which
14 such bracket begins, and

15 “(ii) the 36 percent rate of tax under
16 such subsections shall apply only to the
17 taxpayer’s taxable income in such bracket
18 in excess of the amount to which clause (i)
19 applies.

20 “(B) APPLICABLE AMOUNT.—For purposes
21 of this paragraph, the term ‘applicable amount’
22 means the excess of—

23 “(i) the applicable threshold, over

24 “(ii) the sum of the following amounts
25 in effect for the taxable year:

1 “(I) the basic standard deduction
2 (within the meaning of section
3 63(c)(2)), and

4 “(II) the exemption amount
5 (within the meaning of section
6 151(d)(1)) (or, in the case of sub-
7 section (a), 2 such exemption
8 amounts).

9 “(C) APPLICABLE THRESHOLD.—For pur-
10 poses of this paragraph, the term ‘applicable
11 threshold’ means—

12 “(i) \$250,000 in the case of sub-
13 section (a),

14 “(ii) \$200,000 in the case of sub-
15 sections (b) and (c), and

16 “(iii) $\frac{1}{2}$ the amount applicable under
17 clause (i) (after adjustment, if any, under
18 subparagraph (E)) in the case of sub-
19 section (d).

20 “(D) FOURTH RATE BRACKET.—For pur-
21 poses of this paragraph, the term ‘fourth rate
22 bracket’ means the bracket which would (deter-
23 mined without regard to this paragraph) be the
24 36-percent rate bracket.

1 “(E) INFLATION ADJUSTMENT.—For pur-
2 poses of this paragraph, a rule similar to the
3 rule of paragraph (1)(C) shall apply with re-
4 spect to taxable years beginning in calendar
5 years after 2010, applied by substituting ‘2008’
6 for ‘1992’ in subsection (f)(3)(B).”.

7 (b) PHASEOUT OF PERSONAL EXEMPTIONS AND
8 ITEMIZED DEDUCTIONS.—

9 (1) OVERALL LIMITATION ON ITEMIZED DEDUC-
10 TIONS.—Section 68 is amended—

11 (A) by striking “the applicable amount”
12 the first place it appears in subsection (a) and
13 inserting “the applicable threshold in effect
14 under section 1(i)(3)”,

15 (B) by striking “the applicable amount” in
16 subsection (a)(1) and inserting “such applicable
17 threshold”,

18 (C) by striking subsection (b) and redesign-
19 ating subsections (c), (d), and (e) as sub-
20 sections (b), (c), and (d), respectively, and

21 (D) by striking subsections (f) and (g).

22 (2) PHASEOUT OF DEDUCTIONS FOR PERSONAL
23 EXEMPTIONS.—

24 (A) IN GENERAL.—Paragraph (3) of sec-
25 tion 151(d) is amended—

1 (i) by striking “the threshold amount”
2 in subparagraphs (A) and (B) and insert-
3 ing “the applicable threshold in effect
4 under section 1(i)(3)”,

5 (ii) by striking subparagraph (C) and
6 redesignating subparagraph (D) as sub-
7 paragraph (C), and

8 (iii) by striking subparagraphs (E)
9 and (F).

10 (B) CONFORMING AMENDMENT.—Para-
11 graph (4) of section 151(d) is amended—

12 (i) by striking subparagraph (B),

13 (ii) by redesignating clauses (i) and
14 (ii) of subparagraph (A) as subparagraphs
15 (A) and (B), respectively, and by indenting
16 such subparagraphs (as so redesignated)
17 accordingly, and

18 (iii) by striking all that precedes “in
19 a calendar year after 1989,” and inserting
20 the following:

21 “(4) INFLATION ADJUSTMENT.—In the case of
22 any taxable year beginning”.

23 (c) REDUCED RATE ON CAPITAL GAINS AND DIVI-
24 DENDS.—

1 (1) IN GENERAL.—Paragraph (1) of section
2 (1)(h) is amended by striking subparagraph (C), by
3 redesignating subparagraphs (D) and (E) as sub-
4 paragraphs (E) and (F) and by inserting after sub-
5 paragraph (B) the following new subparagraphs:

6 “(C) 15 percent of the lesser of—

7 “(i) so much of the adjusted net cap-
8 ital gain (or, if less, taxable income) as ex-
9 ceeds the amount on which a tax is deter-
10 mined under subparagraph (B), or

11 “(ii) the excess (if any) of—

12 “(I) the amount of taxable in-
13 come which would (without regard to
14 this subsection) be taxed at a rate
15 below 36 percent, over

16 “(II) the sum of the amounts on
17 which tax is determined under sub-
18 paragraphs (A) and (B),

19 “(D) 20 percent of the adjusted net capital
20 gain (or, if less, taxable income) in excess of the
21 sum of the amounts on which tax is determined
22 under subparagraphs (B) and (C),”.

23 (2) DIVIDENDS.—Subparagraph (A) of section
24 1(h)(11) is amended by striking “qualified dividend
25 income” and inserting “so much of the qualified div-

1 dividend income as does not exceed the excess (if any)
2 of—

3 “(i) the amount of taxable income
4 which would (without regard to this sub-
5 section) be taxed at a rate below 36 per-
6 cent, over

7 “(ii) taxable income reduced by quali-
8 fied dividend income.”.

9 (3) MINIMUM TAX.—Section 55 is amended by
10 adding at the end the following new subsection:

11 “(f) APPLICATION OF MAXIMUM RATE OF TAX ON
12 NET CAPITAL GAIN OF NONCORPORATE TAXPAYERS.—In
13 the case of taxable years beginning after December 31,
14 2010, the amount determined under subparagraph (C) of
15 subsection (b)(3) shall be the sum of—

16 “(1) 15 percent of the lesser of—

17 “(A) so much of the adjusted net capital
18 gain (or, if less, taxable excess) as exceeds the
19 amount on which tax is determined under sub-
20 paragraph (B) of subsection (b)(3), or

21 “(B) the excess described in section
22 1(h)(1)(C)(ii), plus

23 “(2) 20 percent of the adjusted net capital gain
24 (or, if less, taxable excess) in excess of the sum of

1 the amounts on which tax is determined under sub-
2 section (b)(3)(B) and paragraph (1).”.

3 (4) CONFORMING AMENDMENTS.—

4 (A) The following provisions are amended
5 by striking “15 percent” and inserting “20 per-
6 cent”:

7 (i) Section 1445(e)(1).

8 (ii) The second sentence of section
9 7518(g)(6)(A).

10 (iii) Section 53511(f)(2) of title 46,
11 United States Code.

12 (B) Sections 531 and 541 are each amend-
13 ed by striking “15 percent of” and inserting
14 “the product of the highest rate of tax under
15 section 1(c) and”.

16 (C) Section 1445(e)(6) is amended by
17 striking “15 percent (20 percent in the case of
18 taxable years beginning after December 31,
19 2010)” and inserting “20 percent”.

20 (d) EFFECTIVE DATES.—

21 (1) IN GENERAL.—Except as provided in para-
22 graph (2), the amendments made by this section
23 shall apply to taxable years beginning after Decem-
24 ber 31, 2010.

1 (2) WITHHOLDING.—The amendments made by
2 subparagraphs (A)(i) and (C) of subsection (e)(4)
3 shall apply to amounts paid on or after January 1,
4 2011.

5 **SEC. 302. RELATED AMENDMENTS.**

6 (a) APPLICATION OF INCREASE IN REFUNDABLE
7 PORTION OF CHILD TAX CREDIT.—

8 (1) IN GENERAL.—Subsection (d) of section 24
9 is amended—

10 (A) by striking “\$10,000” in paragraph
11 (1)(B)(i) and inserting “\$3,000”, and
12 (B) by striking paragraphs (3) and (4).

13 (2) EFFECTIVE DATE.—The amendments made
14 by this subsection shall apply to taxable years begin-
15 ning after December 31, 2010.

16 (b) APPLICATION OF INCREASE IN EARNED INCOME
17 TAX CREDIT.—

18 (1) IN GENERAL.—Subparagraph (B) of section
19 32(b)(2) is amended to read as follows:

20 “(B) JOINT RETURNS.—

21 “(i) IN GENERAL.—In the case of a
22 joint return filed by an eligible individual
23 and such individual’s spouse, the phaseout
24 amount determined under subparagraph
25 (A) shall be increased by \$5,000.

1 “(ii) INFLATION ADJUSTMENT.—In
2 the case of any taxable year beginning
3 after 2010, the \$5,000 amount in clause
4 (i) shall be increased by an amount equal
5 to—

6 “(I) such dollar amount, multi-
7 plied by

8 “(II) the cost of living adjust-
9 ment determined under section 1(f)(3)
10 for the calendar year in which the tax-
11 able year begins determined by sub-
12 stituting ‘calendar year 2008’ for ‘cal-
13 endar year 1992’ in subparagraph (B)
14 thereof.

15 Subparagraph (A) of subsection (j)(2)
16 shall apply after taking into account any
17 increase under the preceding sentence.”.

18 (2) CONFORMING AMENDMENT.—Subsection (b)
19 of section 32 is amended by striking paragraph (3).

20 (3) EFFECTIVE DATE.—The amendments made
21 by this subsection shall apply to taxable years begin-
22 ning after December 31, 2010.

23 (c) APPLICATION TO ADOPTION CREDIT AND ADOPT-
24 TION ASSISTANCE PROGRAMS.—Subsection (c) of section

1 10909 of the Patient Protection and Affordable Care Act
2 is amended to read as follows:

3 “(c) The amendments made by this section shall not
4 apply to taxable years beginning after December 31,
5 2011.”.

6 **SEC. 303. APPLICATION OF EGTRRA SUNSET TO THIS TITLE.**

7 Section 901 of the Economic Growth and Tax Relief
8 Reconciliation Act of 2001 shall apply to the amendments
9 made by this title.

10 **TITLE IV—TEMPORARY ESTATE**
11 **TAX RELIEF**

12 **SEC. 401. REINSTATEMENT OF ESTATE TAX; REPEAL OF**
13 **CARRYOVER BASIS.**

14 (a) IN GENERAL.—Each provision of law amended by
15 subtitle A or E of title V of the Economic Growth and
16 Tax Relief Reconciliation Act of 2001 is amended to read
17 as such provision would read if such subtitle had never
18 been enacted.

19 (b) CONFORMING AMENDMENT.—On and after Janu-
20 ary 1, 2011, paragraph (1) of section 2505(a) of the Inter-
21 nal Revenue Code of 1986 is amended to read as such
22 paragraph would read if section 521(b)(2) of the Eco-
23 nomic Growth and Tax Relief Reconciliation Act of 2001
24 had never been enacted.

1 (c) SPECIAL ELECTION WITH RESPECT TO ESTATES
2 OF DECEDENTS DYING IN 2010.—Notwithstanding sub-
3 section (a), in the case of an estate of a decedent dying
4 after December 31, 2009, and before January 1, 2011,
5 the executor (within the meaning of section 2203 of the
6 Internal Revenue Code of 1986) may elect to apply such
7 Code as though the amendments made by subsection (a)
8 do not apply with respect to chapter 11 of such Code and
9 with respect to property acquired or passing from such
10 decedent (within the meaning of section 1014(b) of such
11 Code). Such election shall be made at such time and in
12 such manner as the Secretary of the Treasury or the Sec-
13 retary's delegate shall provide. Such an election once made
14 shall be revocable only with the consent of the Secretary
15 of the Treasury or the Secretary's delegate. For purposes
16 of section 2652(a)(1) of such Code, the determination of
17 whether any property is subject to the tax imposed by such
18 chapter 11 shall be made without regard to any election
19 made under this subsection.

20 (d) EXTENSION OF TIME FOR PERFORMING CERTAIN
21 ACTS.—

22 (1) ESTATE TAX.—In the case of the estate of
23 a decedent dying after December 31, 2009, and be-
24 fore the date of the enactment of this Act, the due
25 date for—

1 (A) filing any return under section 6018 of
2 the Internal Revenue Code of 1986 (including
3 any election required to be made on such a re-
4 turn) as such section is in effect after the date
5 of the enactment of this Act without regard to
6 any election under subsection (c),

7 (B) making any payment of tax under
8 chapter 11 of such Code, and

9 (C) making any disclaimer described in
10 section 2518(b) of such Code of an interest in
11 property passing by reason of the death of such
12 decedent,

13 shall not be earlier than the date which is 9 months
14 after the date of the enactment of this Act.

15 (2) GENERATION-SKIPPING TAX.—In the case
16 of any generation-skipping transfer made after De-
17 cember 31, 2009, and before the date of the enact-
18 ment of this Act, the due date for filing any return
19 under section 2662 of the Internal Revenue Code of
20 1986 (including any election required to be made on
21 such a return) shall not be earlier than the date
22 which is 9 months after the date of the enactment
23 of this Act.

24 (e) EFFECTIVE DATE.—Except as otherwise provided
25 in this section, the amendments made by this section shall

1 apply to estates of decedents dying, and transfers made,
2 after December 31, 2009.

3 **SEC. 402. MODIFICATIONS TO ESTATE, GIFT, AND GENERA-**
4 **TION-SKIPPING TRANSFER TAXES.**

5 (a) MODIFICATIONS TO ESTATE TAX.—

6 (1) \$3,500,000 APPLICABLE EXCLUSION
7 AMOUNT.—Subsection (c) of section 2010 is amend-
8 ed to read as follows:

9 “(c) APPLICABLE CREDIT AMOUNT.—

10 “(1) IN GENERAL.—For purposes of this sec-
11 tion, the applicable credit amount is the amount of
12 the tentative tax which would be determined under
13 section 2001(c) if the amount with respect to which
14 such tentative tax is to be computed were equal to
15 the applicable exclusion amount.

16 “(2) APPLICABLE EXCLUSION AMOUNT.—For
17 purposes of this subsection, the applicable exclusion
18 amount is \$3,500,000.”.

19 (2) MAXIMUM ESTATE TAX RATE EQUAL TO 45
20 PERCENT.—Subsection (c) of section 2001 is amend-
21 ed—

22 (A) by striking “Over \$1,500,000” and all
23 that follows in the table contained in paragraph
24 (1) and inserting the following:

“Over \$1,500,000 \$555,800, plus 45 percent of the ex-
cess of such amount over
\$1,500,000.”,

1 (B) by striking “(1) IN GENERAL.—”, and

2 (C) by striking paragraph (2).

3 (b) MODIFICATIONS OF GIFT TAX RATE.—On and
4 after January 1, 2011, subsection (a) of section 2502 is
5 amended to read as such subsection would read if section
6 511(d) of the Economic Growth and Tax Relief Reconcili-
7 ation Act of 2001 had never been enacted.

8 (c) CONFORMING AMENDMENT.—Section 2511 is
9 amended by striking subsection (c).

10 (d) EFFECTIVE DATE.—Except as otherwise pro-
11 vided in this subsection, the amendments made by this
12 section shall apply to estates of decedents dying, genera-
13 tion-skipping transfers, and gifts made, after December
14 31, 2009.

15 **SEC. 403. APPLICATION OF EGTRRA SUNSET TO THIS TITLE.**

16 Section 901 of the Economic Growth and Tax Relief
17 Reconciliation Act of 2001 shall apply to the amendments
18 made by this title.

1 **TITLE V—TEMPORARY EXTEN-**
2 **SION OF UNEMPLOYMENT IN-**
3 **SURANCE AND RELATED MAT-**
4 **TERS**

5 **SEC. 501. TEMPORARY EXTENSION OF UNEMPLOYMENT IN-**
6 **SURANCE PROVISIONS.**

7 (a) IN GENERAL.—(1) Section 4007 of the Supple-
8 mental Appropriations Act, 2008 (Public Law 110–252;
9 26 U.S.C. 3304 note) is amended—

10 (A) by striking “November 30, 2010” each
11 place it appears and inserting “January 3, 2012”;

12 (B) in the heading for subsection (b)(2), by
13 striking “NOVEMBER 30, 2010” and inserting “JANU-
14 ARY 3, 2012”; and

15 (C) in subsection (b)(3), by striking “April 30,
16 2011” and inserting “June 9, 2012”.

17 (2) Section 2005 of the Assistance for Unemployed
18 Workers and Struggling Families Act, as contained in
19 Public Law 111–5 (26 U.S.C. 3304 note; 123 Stat. 444),
20 is amended—

21 (A) by striking “December 1, 2010” each place
22 it appears and inserting “January 4, 2012”; and

23 (B) in subsection (c), by striking “May 1,
24 2011” and inserting “June 11, 2012”.

1 (3) Section 5 of the Unemployment Compensation
2 Extension Act of 2008 (Public Law 110–449; 26 U.S.C.
3 3304 note) is amended by striking “April 30, 2011” and
4 inserting “June 10, 2012”.

5 (b) FUNDING.—Section 4004(e)(1) of the Supple-
6 mental Appropriations Act, 2008 (Public Law 110–252;
7 26 U.S.C. 3304 note) is amended—

8 (1) in subparagraph (E), by striking “and” at
9 the end; and

10 (2) by inserting after subparagraph (F) the fol-
11 lowing:

12 “(G) the amendments made by section
13 501(a)(1) of the Tax Relief, Unemployment In-
14 surance Reauthorization, and Job Creation Act
15 of 2010; and”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall take effect as if included in the enact-
18 ment of the Unemployment Compensation Extension Act
19 of 2010 (Public Law 111–205).

20 **SEC. 502. TEMPORARY MODIFICATION OF INDICATORS**
21 **UNDER THE EXTENDED BENEFIT PROGRAM.**

22 (a) INDICATOR.—Section 203(d) of the Federal-State
23 Extended Unemployment Compensation Act of 1970 (26
24 U.S.C. 3304 note) is amended, in the flush matter fol-
25 lowing paragraph (2), by inserting after the first sentence

1 the following sentence: “Effective with respect to com-
2 pensation for weeks of unemployment beginning after the
3 date of enactment of the Tax Relief, Unemployment Insur-
4 ance Reauthorization, and Job Creation Act of 2010 (or,
5 if later, the date established pursuant to State law), and
6 ending on or before December 31, 2011, the State may
7 by law provide that the determination of whether there
8 has been a state ‘on’ or ‘off’ indicator beginning or ending
9 any extended benefit period shall be made under this sub-
10 section as if the word ‘two’ were ‘three’ in subparagraph
11 (1)(A).”.

12 (b) ALTERNATIVE TRIGGER.—Section 203(f) of the
13 Federal-State Extended Unemployment Compensation Act
14 of 1970 (26 U.S.C. 3304 note) is amended—

15 (1) by redesignating paragraph (2) as para-
16 graph (3); and

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

19 “(2) Effective with respect to compensation for weeks
20 of unemployment beginning after the date of enactment
21 of the Tax Relief, Unemployment Insurance Reauthoriza-
22 tion, and Job Creation Act of 2010 (or, if later, the date
23 established pursuant to State law), and ending on or be-
24 fore December 31, 2011, the State may by law provide
25 that the determination of whether there has been a state

1 ‘on’ or ‘off’ indicator beginning or ending any extended
2 benefit period shall be made under this subsection as if
3 the word ‘either’ were ‘any’, the word “both” were ‘all’,
4 and the figure ‘2’ were ‘3’ in clause (1)(A)(ii).”.

5 **SEC. 503. TECHNICAL AMENDMENT RELATING TO COLLEC-**
6 **TION OF UNEMPLOYMENT COMPENSATION**
7 **DEBTS.**

8 (a) IN GENERAL.—Section 6402(f)(3)(C), as amend-
9 ed by section 801 of the Claims Resolution Act of 2010,
10 is amended by striking “is not a covered unemployment
11 compensation debt” and inserting “is a covered unemploy-
12 ment compensation debt”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 subsection (a) shall take effect as if included in section
15 801 of the Claims Resolution Act of 2010.

16 **SEC. 504. TECHNICAL CORRECTION RELATING TO REPEAL**
17 **OF CONTINUED DUMPING AND SUBSIDY OFF-**
18 **SET.**

19 (a) IN GENERAL.—Section 822(2)(A) of the Claims
20 Resolution Act of 2010 is amended by striking “or” and
21 inserting “and”.

22 (b) EFFECTIVE DATE.—The amendment made by
23 subsection (a) shall take effect as if included in the provi-
24 sions of the Claims Resolution Act of 2010.

1 **SEC. 505. ADDITIONAL EXTENDED UNEMPLOYMENT BENE-**
2 **FITS UNDER THE RAILROAD UNEMPLOY-**
3 **MENT INSURANCE ACT.**

4 (a) EXTENSION.—Section 2(c)(2)(D)(iii) of the Rail-
5 road Unemployment Insurance Act, as added by section
6 2006 of the American Recovery and Reinvestment Act of
7 2009 (Public Law 111–5) and as amended by section 9
8 of the Worker, Homeownership, and Business Assistance
9 Act of 2009 (Public Law 111–92), is amended—

10 (1) by striking “June 30, 2010” and inserting
11 “June 30, 2011”; and

12 (2) by striking “December 31, 2010” and in-
13 serting “December 31, 2011”.

14 (b) CLARIFICATION ON AUTHORITY TO USE
15 FUNDS.—Funds appropriated under either the first or
16 second sentence of clause (iv) of section 2(c)(2)(D) of the
17 Railroad Unemployment Insurance Act shall be available
18 to cover the cost of additional extended unemployment
19 benefits provided under such section 2(c)(2)(D) by reason
20 of the amendments made by subsection (a) as well as to
21 cover the cost of such benefits provided under such section
22 2(c)(2)(D), as in effect on the day before the date of the
23 enactment of this Act.

1 **TITLE VI—EXTENSION OF**
2 **CERTAIN EXPIRING PROVISIONS**
3 **Subtitle A—Energy**

4 **SEC. 601. INCENTIVES FOR BIODIESEL AND RENEWABLE**
5 **DIESEL.**

6 (a) CREDITS FOR BIODIESEL AND RENEWABLE DIE-
7 SEL USED AS FUEL.—Subsection (g) of section 40A is
8 amended by striking “December 31, 2009” and inserting
9 “December 31, 2011”.

10 (b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS
11 FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIX-
12 TURES.—

13 (1) Paragraph (6) of section 6426(c) is amend-
14 ed by striking “December 31, 2009” and inserting
15 “December 31, 2011”.

16 (2) Subparagraph (B) of section 6427(e)(6) is
17 amended by striking “December 31, 2009” and in-
18 serting “December 31, 2011”.

19 (c) SPECIAL RULE FOR 2010.—Notwithstanding any
20 other provision of law, in the case of any biodiesel mixture
21 credit properly determined under section 6426(c) of the
22 Internal Revenue Code of 1986 for periods during 2010,
23 such credit shall be allowed, and any refund or payment
24 attributable to such credit (including any payment under
25 section 6427(e) of such Code) shall be made, only in such

1 manner as the Secretary of the Treasury (or the Sec-
2 retary's delegate) shall provide. Such Secretary shall issue
3 guidance within 30 days after the date of the enactment
4 of this Act providing for a one-time submission of claims
5 covering periods during 2010. Such guidance shall provide
6 for a 180-day period for the submission of such claims
7 (in such manner as prescribed by such Secretary) to begin
8 not later than 30 days after such guidance is issued. Such
9 claims shall be paid by such Secretary not later than 60
10 days after receipt. If such Secretary has not paid pursuant
11 to a claim filed under this subsection within 60 days after
12 the date of the filing of such claim, the claim shall be paid
13 with interest from such date determined by using the over-
14 payment rate and method under section 6621 of such
15 Code.

16 (d) **EFFECTIVE DATE.**—The amendments made by
17 this section shall apply to fuel sold or used after December
18 31, 2009.

19 **SEC. 602. CREDIT FOR REFINED COAL FACILITIES.**

20 (a) **IN GENERAL.**—Subparagraph (B) of section
21 45(d)(8) is amended by striking “January 1, 2010” and
22 inserting “January 1, 2012”.

23 (b) **EFFECTIVE DATE.**—The amendment made by
24 this section shall apply to facilities placed in service after
25 December 31, 2009.

1 **SEC. 603. NEW ENERGY EFFICIENT HOME CREDIT.**

2 (a) IN GENERAL.—Subsection (g) of section 45L is
3 amended by striking “December 31, 2009” and inserting
4 “December 31, 2011”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 this section shall apply to homes acquired after December
7 31, 2009.

8 **SEC. 604. EXCISE TAX CREDITS AND OUTLAY PAYMENTS**

9 **FOR ALTERNATIVE FUEL AND ALTERNATIVE**
10 **FUEL MIXTURES.**

11 (a) ALTERNATIVE FUEL CREDIT.—Paragraph (5) of
12 section 6426(d) is amended by striking “after December
13 31, 2009” and all that follows and inserting the following:
14 “after—

15 “(A) December 31, 2011, in the case of
16 fuels described in subparagraph (A), (B), (C),
17 (D), (F), or (G) of paragraph (2), and

18 “(B) December 31, 2009, in any other
19 case.”.

20 (b) ALTERNATIVE FUEL MIXTURE CREDIT.—Para-
21 graph (3) of section 6426(e) is amended by striking “after
22 December 31, 2009” and all that follows and inserting the
23 following: “after—

24 “(A) December 31, 2011, in the case of
25 fuels described in subparagraph (A), (B), (C),
26 (D), (F), or (G) of subsection (d)(2), and

1 “(B) December 31, 2009, in any other
2 case.”.

3 (c) PAYMENT AUTHORITY.—

4 (1) IN GENERAL.—Paragraph (6) of section
5 6427(e) is amended by striking “and” at the end of
6 subparagraph (C), by striking the period at the end
7 of subparagraph (D) and inserting “, and”, and by
8 adding at the end the following new subparagraph:

9 “(E) any alternative fuel or alternative fuel
10 mixture (as so defined) involving fuel described
11 in subparagraph (A), (B), (C), (D), (F), or (G)
12 of section 6426(d)(2) sold or used after Decem-
13 ber 31, 2011.”.

14 (2) CONFORMING AMENDMENT.—Subparagraph
15 (C) of section 6427(e)(6) is amended by inserting
16 “or (E)” after “subparagraph (D)”.

17 (d) SPECIAL RULE FOR 2010.—Notwithstanding any
18 other provision of law, in the case of any alternative fuel
19 credit or any alternative fuel mixture credit properly deter-
20 mined under subsection (d) or (e) of section 6426 of the
21 Internal Revenue Code of 1986 for periods during 2010,
22 such credit shall be allowed, and any refund or payment
23 attributable to such credit (including any payment under
24 section 6427(e) of such Code) shall be made, only in such
25 manner as the Secretary of the Treasury (or the Sec-

1 retary's delegate) shall provide. Such Secretary shall issue
2 guidance within 30 days after the date of the enactment
3 of this Act providing for a one-time submission of claims
4 covering periods during 2010. Such guidance shall provide
5 for a 180-day period for the submission of such claims
6 (in such manner as prescribed by such Secretary) to begin
7 not later than 30 days after such guidance is issued. Such
8 claims shall be paid by such Secretary not later than 60
9 days after receipt. If such Secretary has not paid pursuant
10 to a claim filed under this subsection within 60 days after
11 the date of the filing of such claim, the claim shall be paid
12 with interest from such date determined by using the over-
13 payment rate and method under section 6621 of such
14 Code.

15 **SEC. 605. SPECIAL RULE FOR SALES OR DISPOSITIONS TO**
16 **IMPLEMENT FERC OR STATE ELECTRIC RE-**
17 **STRUCTURING POLICY FOR QUALIFIED ELEC-**
18 **TRIC UTILITIES.**

19 (a) IN GENERAL.—Paragraph (3) of section 451(i)
20 is amended by striking “January 1, 2010” and inserting
21 “January 1, 2012”.

22 (b) EFFECTIVE DATE.—The amendment made by
23 this section shall apply to dispositions after December 31,
24 2009.

1 **SEC. 606. SUSPENSION OF LIMITATION ON PERCENTAGE**
2 **DEPLETION FOR OIL AND GAS FROM MAR-**
3 **GINAL WELLS.**

4 (a) IN GENERAL.—Clause (ii) of section
5 613A(c)(6)(H) is amended by striking “January 1, 2010”
6 and inserting “January 1, 2012”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 this section shall apply to taxable years beginning after
9 December 31, 2009.

10 **SEC. 607. EXTENSION OF GRANTS FOR SPECIFIED ENERGY**
11 **PROPERTY IN LIEU OF TAX CREDITS.**

12 (a) IN GENERAL.—Subsection (a) of section 1603 of
13 division B of the American Recovery and Reinvestment
14 Act of 2009 is amended—

15 (1) in paragraph (1), by striking “2009 or
16 2010” and inserting “2009, 2010, or 2011”, and

17 (2) in paragraph (2)—

18 (A) by striking “after 2010” and inserting
19 “after 2011”, and

20 (B) by striking “2009 or 2010” and in-
21 serting “2009, 2010, or 2011”.

22 (b) CONFORMING AMENDMENT.—Subsection (j) of
23 section 1603 of division B of such Act is amended by strik-
24 ing “2011” and inserting “2012”.

1 **SEC. 608. EXTENSION OF PROVISIONS RELATED TO ALCO-**
2 **HOL USED AS FUEL.**

3 (a) EXTENSION OF INCOME TAX CREDIT FOR ALCO-
4 HOL USED AS FUEL.—

5 (1) IN GENERAL.—Paragraph (1) of section
6 40(e) is amended—

7 (A) by striking “December 31, 2010” in
8 subparagraph (A) and inserting “December 31,
9 2011”, and

10 (B) by striking “January 1, 2011” in sub-
11 paragraph (B) and inserting “January 1,
12 2012”.

13 (2) REDUCED AMOUNT FOR ETHANOL BLEND-
14 ERS.—Subsection (h) of section 40 is amended by
15 striking “2010” both places it appears and inserting
16 “2011”.

17 (3) EFFECTIVE DATE.—The amendments made
18 by this subsection shall apply to periods after De-
19 cember 31, 2010.

20 (b) EXTENSION OF EXCISE TAX CREDIT FOR ALCO-
21 HOL USED AS FUEL.—

22 (1) IN GENERAL.—Paragraph (6) of section
23 6426(b) is amended by striking “December 31,
24 2010” and inserting “December 31, 2011”.

1 (2) EFFECTIVE DATE.—The amendment made
2 by this subsection shall apply to periods after De-
3 cember 31, 2010.

4 (c) EXTENSION OF PAYMENT FOR ALCOHOL FUEL
5 MIXTURE.—

6 (1) IN GENERAL.—Subparagraph (A) of section
7 6427(e)(6) is amended by striking “December 31,
8 2010” and inserting “December 31, 2011”.

9 (2) EFFECTIVE DATE.—The amendment made
10 by this subsection shall apply to sales and uses after
11 December 31, 2010.

12 (d) EXTENSION OF ADDITIONAL DUTIES ON ETH-
13 ANOL.—

14 (1) IN GENERAL.—Headings 9901.00.50 and
15 9901.00.52 of the Harmonized Tariff Schedule of
16 the United States are each amended in the effective
17 period column by striking “1/1/2011” and inserting
18 “1/1/2012”.

19 (2) EFFECTIVE DATE.—The amendments made
20 by this subsection shall take effect on January 1,
21 2011.

22 **SEC. 609. ENERGY EFFICIENT APPLIANCE CREDIT.**

23 (a) DISHWASHERS.—Paragraph (1) of section
24 45M(b) is amended by striking “and” at the end of sub-
25 paragraph (A), by striking the period at the end of sub-

1 paragraph (B) and inserting a comma, and by adding at
2 the end the following new subparagraphs:

3 “(C) \$25 in the case of a dishwasher which
4 is manufactured in calendar year 2011 and
5 which uses no more than 307 kilowatt hours
6 per year and 5.0 gallons per cycle (5.5 gallons
7 per cycle for dishwashers designed for greater
8 than 12 place settings),

9 “(D) \$50 in the case of a dishwasher
10 which is manufactured in calendar year 2011
11 and which uses no more than 295 kilowatt
12 hours per year and 4.25 gallons per cycle (4.75
13 gallons per cycle for dishwashers designed for
14 greater than 12 place settings), and

15 “(E) \$75 in the case of a dishwasher
16 which is manufactured in calendar year 2011
17 and which uses no more than 280 kilowatt
18 hours per year and 4 gallons per cycle (4.5 gal-
19 lons per cycle for dishwashers designed for
20 greater than 12 place settings).”.

21 (b) CLOTHES WASHERS.—Paragraph (2) of section
22 45M(b) is amended by striking “and” at the end of sub-
23 paragraph (C), by striking the period at the end of sub-
24 paragraph (D) and inserting a comma, and by adding at
25 the end the following new subparagraphs:

1 “(E) \$175 in the case of a top-loading
2 clothes washer manufactured in calendar year
3 2011 which meets or exceeds a 2.2 modified en-
4 ergy factor and does not exceed a 4.5 water
5 consumption factor, and

6 “(F) \$225 in the case of a clothes washer
7 manufactured in calendar year 2011—

8 “(i) which is a top-loading clothes
9 washer and which meets or exceeds a 2.4
10 modified energy factor and does not exceed
11 a 4.2 water consumption factor, or

12 “(ii) which is a front-loading clothes
13 washer and which meets or exceeds a 2.8
14 modified energy factor and does not exceed
15 a 3.5 water consumption factor.”.

16 (c) REFRIGERATORS.—Paragraph (3) of section
17 45M(b) is amended by striking “and” at the end of sub-
18 paragraph (C), by striking the period at the end of sub-
19 paragraph (D) and inserting a comma, and by adding at
20 the end the following new subparagraphs:

21 “(E) \$150 in the case of a refrigerator
22 manufactured in calendar year 2011 which con-
23 sumes at least 30 percent less energy than the
24 2001 energy conservation standards, and

1 “(F) \$200 in the case of a refrigerator
2 manufactured in calendar year 2011 which con-
3 sumes at least 35 percent less energy than the
4 2001 energy conservation standards.”.

5 (d) REBASING OF LIMITATIONS.—

6 (1) IN GENERAL.—Paragraph (1) of section
7 45M(e) is amended—

8 (A) by striking “\$75,000,000” and insert-
9 ing “\$25,000,000”, and

10 (B) by striking “December 31, 2007” and
11 inserting “December 31, 2010”.

12 (2) EXCEPTION FOR CERTAIN REFRIGERATORS
13 AND CLOTHES WASHERS.—Paragraph (2) of section
14 45M(e) is amended—

15 (A) by striking “subsection (b)(3)(D)” and
16 inserting “subsection (b)(3)(F)”, and

17 (B) by striking “subsection (b)(2)(D)” and
18 inserting “subsection (b)(2)(F)”.

19 (3) GROSS RECEIPTS LIMITATION.—Paragraph
20 (3) of section 45M(e) is amended by striking “2 per-
21 cent” and inserting “4 percent”.

22 (e) EFFECTIVE DATES.—

23 (1) IN GENERAL.—The amendments made by
24 subsections (a), (b), and (c) shall apply to appliances
25 produced after December 31, 2010.

1 (2) LIMITATIONS.—The amendments made by
2 subsection (d) shall apply to taxable years beginning
3 after December 31, 2010.

4 **SEC. 610. CREDIT FOR NONBUSINESS ENERGY PROPERTY.**

5 (a) EXTENSION.—Section 25C(g)(2) is amended by
6 striking “2010” and inserting “2011”.

7 (b) RETURN TO PRE-ARRA LIMITATIONS AND
8 STANDARDS.—

9 (1) IN GENERAL.—Subsections (a) and (b) of
10 section 25C are amended to read as follows:

11 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
12 dividual, there shall be allowed as a credit against the tax
13 imposed by this chapter for the taxable year an amount
14 equal to the sum of—

15 “(1) 10 percent of the amount paid or incurred
16 by the taxpayer for qualified energy efficiency im-
17 provements installed during such taxable year, and

18 “(2) the amount of the residential energy prop-
19 erty expenditures paid or incurred by the taxpayer
20 during such taxable year.

21 “(b) LIMITATIONS.—

22 “(1) LIFETIME LIMITATION.—The credit al-
23 lowed under this section with respect to any tax-
24 payer for any taxable year shall not exceed the ex-
25 cess (if any) of \$500 over the aggregate credits al-

1 lowed under this section with respect to such tax-
2 payer for all prior taxable years ending after Decem-
3 ber 31, 2005.

4 “(2) WINDOWS.—In the case of amounts paid
5 or incurred for components described in subsection
6 (c)(2)(B) by any taxpayer for any taxable year, the
7 credit allowed under this section with respect to such
8 amounts for such year shall not exceed the excess (if
9 any) of \$200 over the aggregate credits allowed
10 under this section with respect to such amounts for
11 all prior taxable years ending after December 31,
12 2005.

13 “(3) LIMITATION ON RESIDENTIAL ENERGY
14 PROPERTY EXPENDITURES.—The amount of the
15 credit allowed under this section by reason of sub-
16 section (a)(2) shall not exceed—

17 “(A) \$50 for any advanced main air circu-
18 lating fan,

19 “(B) \$150 for any qualified natural gas,
20 propane, or oil furnace or hot water boiler, and

21 “(C) \$300 for any item of energy-efficient
22 building property.”.

23 (2) MODIFICATION OF STANDARDS.—

24 (A) IN GENERAL.—Paragraph (1) of sec-
25 tion 25C(c) is amended by striking “2000” and

1 all that follows through “this section” and in-
2 serting “2009 International Energy Conserva-
3 tion Code, as such Code (including supple-
4 ments) is in effect on the date of the enactment
5 of the American Recovery and Reinvestment
6 Tax Act of 2009”.

7 (B) WOOD STOVES.—Subparagraph (E) of
8 section 25C(d)(3) is amended by striking “, as
9 measured using a lower heating value”.

10 (C) OIL FURNACES AND HOT WATER BOIL-
11 ERS.—

12 (i) IN GENERAL.—Paragraph (4) of
13 section 25C(d) is amended to read as fol-
14 lows:

15 “(4) QUALIFIED NATURAL GAS, PROPANE, OR
16 OIL FURNACE OR HOT WATER BOILER.—The term
17 ‘qualified natural gas, propane, or oil furnace or hot
18 water boiler’ means a natural gas, propane, or oil
19 furnace or hot water boiler which achieves an annual
20 fuel utilization efficiency rate of not less than 95.”.

21 (ii) CONFORMING AMENDMENT.—
22 Clause (ii) of section 25C(d)(2)(A) is
23 amended to read as follows:

24 “(ii) a qualified natural gas, propane,
25 or oil furnace or hot water boiler, or”.

1 (D) EXTERIOR WINDOWS, DOORS, AND
2 SKYLIGHTS.—

3 (i) IN GENERAL.—Subsection (c) of
4 section 25C is amended by striking para-
5 graph (4).

6 (ii) APPLICATION OF ENERGY STAR
7 STANDARDS.—Paragraph (1) of section
8 25C(c) is amended by inserting “an exte-
9 rior window, a skylight, an exterior door,”
10 after “in the case of” in the matter pre-
11 ceding subparagraph (A).

12 (E) INSULATION.—Subparagraph (A) of
13 section 25C(c)(2) is amended by striking “and
14 meets the prescriptive criteria for such material
15 or system established by the 2009 International
16 Energy Conservation Code, as such Code (in-
17 cluding supplements) is in effect on the date of
18 the enactment of the American Recovery and
19 Reinvestment Tax Act of 2009”.

20 (3) SUBSIDIZED ENERGY FINANCING.—Sub-
21 section (e) of section 25C is amended by adding at
22 the end the following new paragraph:

23 “(3) PROPERTY FINANCED BY SUBSIDIZED EN-
24 ERGY FINANCING.—For purposes of determining the
25 amount of expenditures made by any individual with

1 in effect on the day before the date of the enactment of
2 the Revenue Reconciliation Act of 1990).

3 **SEC. 613. REDUCED RATE FOR ETHANOL BLENDERS.**

4 (a) IN GENERAL.—

5 (1) INCOME TAX CREDIT.—Subsection (h) of
6 section 40 is amended—

7 (A) by striking paragraph (3), and

8 (B) by striking the period at the end of the
9 table contained in paragraph (2) and by adding
10 at the end the following new row:

2011	36 cents	26.66 cents.
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11 (2) EXCISE TAX CREDIT.—Paragraph (2) of
12 section 6426(b) is amended—

13 (A) by striking “the applicable amount is”
14 and all that follows in subparagraph (A) and
15 inserting “the applicable amount is 36 cents.”,
16 and

17 (B) by striking subparagraph (C).

18 (b) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to fuel sold or used after December
20 31, 2010.

1 **Subtitle B—Individual Tax Relief**

2 **SEC. 621. DEDUCTION FOR CERTAIN EXPENSES OF ELE-**
3 **MENTARY AND SECONDARY SCHOOL TEACH-**
4 **ERS.**

5 (a) IN GENERAL.—Subparagraph (D) of section
6 62(a)(2) is amended by striking “or 2009” and inserting
7 “2009, 2010, or 2011”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply to taxable years beginning after
10 December 31, 2009.

11 **SEC. 622. DEDUCTION OF STATE AND LOCAL SALES TAXES.**

12 (a) IN GENERAL.—Subparagraph (I) of section
13 164(b)(5) is amended by striking “January 1, 2010” and
14 inserting “January 1, 2012”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to taxable years beginning after
17 December 31, 2009.

18 **SEC. 623. CONTRIBUTIONS OF CAPITAL GAIN REAL PROP-**
19 **ERTY MADE FOR CONSERVATION PURPOSES.**

20 (a) IN GENERAL.—Clause (vi) of section
21 170(b)(1)(E) is amended by striking “December 31,
22 2009” and inserting “December 31, 2011”.

23 (b) CONTRIBUTIONS BY CERTAIN CORPORATE FARM-
24 ERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B)

1 is amended by striking “December 31, 2009” and insert-
2 ing “December 31, 2011”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to contributions made in taxable
5 years beginning after December 31, 2009.

6 **SEC. 624. ABOVE-THE-LINE DEDUCTION FOR QUALIFIED**
7 **TUITION AND RELATED EXPENSES.**

8 (a) IN GENERAL.—Subsection (e) of section 222 is
9 amended by striking “December 31, 2009” and inserting
10 “December 31, 2011”.

11 (b) EFFECTIVE DATE.—The amendment made by
12 this section shall apply to taxable years beginning after
13 December 31, 2009.

14 **SEC. 625. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RE-**
15 **TIREMENT PLANS FOR CHARITABLE PUR-**
16 **POSES.**

17 (a) IN GENERAL.—Subparagraph (F) of section
18 408(d)(8) is amended by striking “December 31, 2009”
19 and inserting “December 31, 2011”.

20 (b) EFFECTIVE DATE; SPECIAL RULE.—

21 (1) EFFECTIVE DATE.—The amendment made
22 by this section shall apply to distributions made in
23 taxable years beginning after December 31, 2009.

24 (2) SPECIAL RULE.—For purposes of sub-
25 sections (a)(6), (b)(3), and (d)(8) of section 408 of

1 the Internal Revenue Code of 1986, at the election
2 of the taxpayer (at such time and in such manner
3 as prescribed by the Secretary of the Treasury) any
4 qualified charitable distribution made after Decem-
5 ber 31, 2010, and before February 1, 2011, shall be
6 deemed to have been made on December 31, 2010.

7 **SEC. 626. LOOK-THRU OF CERTAIN REGULATED INVEST-**
8 **MENT COMPANY STOCK IN DETERMINING**
9 **GROSS ESTATE OF NONRESIDENTS.**

10 (a) IN GENERAL.—Paragraph (3) of section 2105(d)
11 is amended by striking “December 31, 2009” and insert-
12 ing “December 31, 2011”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to estates of decedents dying after
15 December 31, 2009.

16 **SEC. 627. PARITY FOR EXCLUSION FROM INCOME FOR EM-**
17 **PLOYER-PROVIDED MASS TRANSIT AND**
18 **PARKING BENEFITS.**

19 (a) IN GENERAL.—Paragraph (2) of section 132(f)
20 is amended by striking “January 1, 2011” and inserting
21 “January 1, 2012”.

22 (b) EFFECTIVE DATE.—The amendment made by
23 this section shall apply to months after December 31,
24 2010.

1 **SEC. 628. REFUNDS DISREGARDED IN THE ADMINISTRA-**
2 **TION OF FEDERAL PROGRAMS AND FEDER-**
3 **ALLY ASSISTED PROGRAMS.**

4 (a) IN GENERAL.—Subchapter A of chapter 65 is
5 amended by adding at the end the following new section:

6 **“SEC. 6409. REFUNDS DISREGARDED IN THE ADMINISTRA-**
7 **TION OF FEDERAL PROGRAMS AND FEDER-**
8 **ALLY ASSISTED PROGRAMS.**

9 “(a) IN GENERAL.—Notwithstanding any other pro-
10 vision of law, any refund (or advance payment with respect
11 to a refundable credit) made to any individual under this
12 title shall not be taken into account as income, and shall
13 not be taken into account as resources for a period of 12
14 months from receipt, for purposes of determining the eligi-
15 bility of such individual (or any other individual) for bene-
16 fits or assistance (or the amount or extent of benefits or
17 assistance) under any Federal program or under any State
18 or local program financed in whole or in part with Federal
19 funds.

20 “(b) TERMINATION.—Subsection (a) shall not apply
21 to any amount received after December 31, 2012.”.

22 (b) CLERICAL AMENDMENT.—The table of sections
23 for such subchapter is amended by adding at the end the
24 following new item:

“Sec. 6409. Refunds disregarded in the administration of Federal programs
and federally assisted programs.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to amounts received after Decem-
3 ber 31, 2009.

4 **Subtitle C—Provisions Relating to** 5 **Business**

6 **SEC. 631. RESEARCH CREDIT.**

7 (a) IN GENERAL.—Subparagraph (B) of section
8 41(h)(1) is amended by striking “December 31, 2009”
9 and inserting “December 31, 2011”.

10 (b) CONFORMING AMENDMENT.—Subparagraph (D)
11 of section 45C(b)(1) is amended by striking “December
12 31, 2009” and inserting “December 31, 2011”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to amounts paid or incurred after
15 December 31, 2009.

16 **SEC. 632. INDIAN EMPLOYMENT TAX CREDIT.**

17 (a) IN GENERAL.—Subsection (f) of section 45A is
18 amended by striking “December 31, 2009” and inserting
19 “December 31, 2011”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 this section shall apply to taxable years beginning after
22 December 31, 2009.

23 **SEC. 633. NEW MARKETS TAX CREDIT.**

24 (a) IN GENERAL.—Paragraph (1) of section 45D(f)
25 is amended—

1 (1) by striking “and” at the end of subpara-
2 graph (E),

3 (2) by striking the period at the end of sub-
4 paragraph (F), and

5 (3) by adding at the end the following new sub-
6 paragraph:

7 “(G) \$3,500,000,000 for 2010 and 2011.”.

8 (b) CONFORMING AMENDMENT.—Paragraph (3) of
9 section 45D(f) is amended by striking “2014” and insert-
10 ing “2016”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to calendar years beginning after
13 2009.

14 **SEC. 634. RAILROAD TRACK MAINTENANCE CREDIT.**

15 (a) IN GENERAL.—Subsection (f) of section 45G is
16 amended by striking “January 1, 2010” and inserting
17 “January 1, 2012”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply to expenditures paid or incurred
20 in taxable years beginning after December 31, 2009.

21 **SEC. 635. MINE RESCUE TEAM TRAINING CREDIT.**

22 (a) IN GENERAL.—Subsection (e) of section 45N is
23 amended by striking “December 31, 2009” and inserting
24 “December 31, 2011”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2009.

4 **SEC. 636. EMPLOYER WAGE CREDIT FOR EMPLOYEES WHO**
5 **ARE ACTIVE DUTY MEMBERS OF THE UNI-**
6 **FORMED SERVICES.**

7 (a) IN GENERAL.—Subsection (f) of section 45P is
8 amended by striking “December 31, 2009” and inserting
9 “December 31, 2011”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to payments made after December
12 31, 2009.

13 **SEC. 637. 15-YEAR STRAIGHT-LINE COST RECOVERY FOR**
14 **QUALIFIED LEASEHOLD IMPROVEMENTS,**
15 **QUALIFIED RESTAURANT BUILDINGS AND IM-**
16 **PROVEMENTS, AND QUALIFIED RETAIL IM-**
17 **PROVEMENTS.**

18 (a) IN GENERAL.—Clauses (iv), (v), and (ix) of sec-
19 tion 168(e)(3)(E) are each amended by striking “January
20 1, 2010” and inserting “January 1, 2012”.

21 (b) CONFORMING AMENDMENTS.—

22 (1) Clause (i) of section 168(e)(7)(A) is amend-
23 ed by striking “if such building is placed in service
24 after December 31, 2008, and before January 1,
25 2010.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to property placed in service after
3 December 31, 2009.

4 **SEC. 640. ENHANCED CHARITABLE DEDUCTION FOR CON-**
5 **TRIBUTIONS OF FOOD INVENTORY.**

6 (a) IN GENERAL.—Clause (iv) of section
7 170(e)(3)(C) is amended by striking “December 31,
8 2009” and inserting “December 31, 2011”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall apply to contributions made after De-
11 cember 31, 2009.

12 **SEC. 641. ENHANCED CHARITABLE DEDUCTION FOR CON-**
13 **TRIBUTIONS OF BOOK INVENTORIES TO PUB-**
14 **LIC SCHOOLS.**

15 (a) IN GENERAL.—Clause (iv) of section
16 170(e)(3)(D) is amended by striking “December 31,
17 2009” and inserting “December 31, 2011”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply to contributions made after De-
20 cember 31, 2009.

1 **SEC. 642. ENHANCED CHARITABLE DEDUCTION FOR COR-**
2 **PORATE CONTRIBUTIONS OF COMPUTER IN-**
3 **VENTORY FOR EDUCATIONAL PURPOSES.**

4 (a) **IN GENERAL.**—Subparagraph (G) of section
5 170(e)(6) is amended by striking “December 31, 2009”
6 and inserting “December 31, 2011”.

7 (b) **EFFECTIVE DATE.**—The amendment made by
8 this section shall apply to contributions made in taxable
9 years beginning after December 31, 2009.

10 **SEC. 643. TEMPORARY EXTENSION OF INCREASED SMALL**
11 **BUSINESS EXPENSING.**

12 (a) **DOLLAR LIMITATION.**—Section 179(b)(1) is
13 amended by striking “and” at the end of subparagraph
14 (B) and by striking subparagraph (C) and inserting the
15 following new subparagraphs:

16 “(C) \$125,000 in the case of taxable years
17 beginning in 2012, and

18 “(D) \$25,000 in the case of taxable years
19 beginning after 2012.”.

20 (b) **REDUCTION IN LIMITATION.**—Section 179(b)(2)
21 is amended by striking “and” at the end of subparagraph
22 (B) and by striking subparagraph (C) and inserting the
23 following new subparagraphs:

24 “(C) \$500,000 in the case of taxable years
25 beginning in 2012, and

1 “(D) \$200,000 in the case of taxable years
2 beginning after 2012.”.

3 (c) INFLATION ADJUSTMENT.—Subsection (b) of sec-
4 tion 179 is amended by adding at the end the following
5 new paragraph:

6 “(6) INFLATION ADJUSTMENT.—

7 “(A) IN GENERAL.—In the case of any
8 taxable year beginning in calendar year 2012,
9 the \$125,000 and \$500,000 amounts in para-
10 graphs (1)(C) and (2)(C) shall each be in-
11 creased by an amount equal to—

12 “(i) such dollar amount, multiplied by

13 “(ii) the cost-of-living adjustment de-
14 termined under section 1(f)(3) for the cal-
15 endar year in which the taxable year be-
16 gins, by substituting ‘calendar year 2006’
17 for ‘calendar year 1992’ in subparagraph
18 (B) thereof.

19 “(B) ROUNDING.—

20 “(i) DOLLAR LIMITATION.—If the
21 amount in paragraph (1) as increased
22 under subparagraph (A) is not a multiple
23 of \$1,000, such amount shall be rounded
24 to the nearest multiple of \$1,000.

1 “(ii) PHASEOUT AMOUNT.—If the
2 amount in paragraph (2) as increased
3 under subparagraph (A) is not a multiple
4 of \$10,000, such amount shall be rounded
5 to the nearest multiple of \$10,000.”.

6 (d) COMPUTER SOFTWARE.—Section
7 179(d)(1)(A)(ii) is amended by striking “2012” and in-
8 serting “2013”.

9 (e) BUY AMERICAN MODIFICATION.—Subsection (b)
10 of section 179 is amended by adding at the end the fol-
11 lowing new paragraph:

12 “(6) LIMITATION ON COST TAKEN INTO AC-
13 COUNT FOR NON-DOMESTIC CONTENT PROPERTY.—

14 “(A) IN GENERAL.—In the case of taxable
15 years beginning in 2012, the aggregate cost of
16 nondomestic content property which may be
17 taken into account under this section shall not
18 exceed \$25,000.

19 “(B) NONDOMESTIC CONTENT PROP-
20 ERTY.—For purposes of this paragraph, the
21 term ‘nondomestic content property’ means
22 property which does not consist of manufac-
23 tured articles, materials, and supplies produced
24 in the United States substantially all from arti-
25 cles, materials, or supplies mined, produced, or

1 manufactured in the United States, within the
2 meaning of the Buy American Act (41 U.S.C.
3 10a).”.

4 (f) CONFORMING AMENDMENT.—Section 179(c)(2) is
5 amended by striking “2012” and inserting “2013”.

6 (g) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to taxable years beginning after
8 December 31, 2011.

9 **SEC. 644. ELECTION TO EXPENSE MINE SAFETY EQUIP-**
10 **MENT.**

11 (a) IN GENERAL.—Subsection (g) of section 179E is
12 amended by striking “December 31, 2009” and inserting
13 “December 31, 2011”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 this section shall apply to property placed in service after
16 December 31, 2009.

17 **SEC. 645. SPECIAL EXPENSING RULES FOR CERTAIN FILM**
18 **AND TELEVISION PRODUCTIONS.**

19 (a) IN GENERAL.—Subsection (f) of section 181 is
20 amended by striking “December 31, 2009” and inserting
21 “December 31, 2011”.

22 (b) EFFECTIVE DATE.—The amendment made by
23 this section shall apply to productions commencing after
24 December 31, 2009.

1 **SEC. 646. EXPENSING OF ENVIRONMENTAL REMEDIATION**
2 **COSTS.**

3 (a) IN GENERAL.—Subsection (h) of section 198 is
4 amended by striking “December 31, 2009” and inserting
5 “December 31, 2011”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to expenditures paid or incurred
8 after December 31, 2009.

9 **SEC. 647. DEDUCTION ALLOWABLE WITH RESPECT TO IN-**
10 **COME ATTRIBUTABLE TO DOMESTIC PRO-**
11 **DUCTION ACTIVITIES IN PUERTO RICO.**

12 (a) IN GENERAL.—Subparagraph (C) of section
13 199(d)(8) is amended—

14 (1) by striking “first 4 taxable years” and in-
15 serting “first 6 taxable years”; and

16 (2) by striking “January 1, 2010” and insert-
17 ing “January 1, 2012”.

18 (b) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2009.

21 **SEC. 648. MODIFICATION OF TAX TREATMENT OF CERTAIN**
22 **PAYMENTS TO CONTROLLING EXEMPT ORGA-**
23 **NIZATIONS.**

24 (a) IN GENERAL.—Clause (iv) of section
25 512(b)(13)(E) is amended by striking “December 31,
26 2009” and inserting “December 31, 2011”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to payments received or accrued
3 after December 31, 2009.

4 **SEC. 649. TREATMENT OF CERTAIN DIVIDENDS OF REGU-**
5 **LATED INVESTMENT COMPANIES.**

6 (a) IN GENERAL.—Paragraphs (1)(C) and (2)(C) of
7 section 871(k) are each amended by striking “December
8 31, 2009” and inserting “December 31, 2011”.

9 (b) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to taxable years beginning after
11 December 31, 2009.

12 **SEC. 650. RIC QUALIFIED INVESTMENT ENTITY TREATMENT**
13 **UNDER FIRPTA.**

14 (a) IN GENERAL.—Clause (ii) of section
15 897(h)(4)(A) is amended by striking “December 31,
16 2009” and inserting “December 31, 2011”.

17 (b) EFFECTIVE DATE.—

18 (1) IN GENERAL.—The amendment made by
19 subsection (a) shall take effect on January 1, 2010.
20 Notwithstanding the preceding sentence, such
21 amendment shall not apply with respect to the with-
22 holding requirement under section 1445 of the Inter-
23 nal Revenue Code of 1986 for any payment made
24 before the date of the enactment of this Act.

1 (2) AMOUNTS WITHHELD ON OR BEFORE DATE
2 OF ENACTMENT.—In the case of a regulated invest-
3 ment company—

4 (A) which makes a distribution after De-
5 cember 31, 2009, and before the date of the en-
6 actment of this Act; and

7 (B) which would (but for the second sen-
8 tence of paragraph (1)) have been required to
9 withhold with respect to such distribution under
10 section 1445 of such Code,

11 such investment company shall not be liable to any
12 person to whom such distribution was made for any
13 amount so withheld and paid over to the Secretary
14 of the Treasury.

15 **SEC. 651. EXCEPTIONS FOR ACTIVE FINANCING INCOME.**

16 (a) IN GENERAL.—Sections 953(e)(10) and
17 954(h)(9) are each amended by striking “January 1,
18 2010” and inserting “January 1, 2012”.

19 (b) CONFORMING AMENDMENT.—Section 953(e)(10)
20 is amended by striking “December 31, 2009” and insert-
21 ing “December 31, 2011”.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to taxable years of foreign corpora-
24 tions beginning after December 31, 2009, and to taxable

1 years of United States shareholders with or within which
2 any such taxable year of such foreign corporation ends.

3 **SEC. 652. LOOK-THRU TREATMENT OF PAYMENTS BE-**
4 **TWEEN RELATED CONTROLLED FOREIGN**
5 **CORPORATIONS UNDER FOREIGN PERSONAL**
6 **HOLDING COMPANY RULES.**

7 (a) IN GENERAL.—Subparagraph (C) of section
8 954(c)(6) is amended by striking “January 1, 2010” and
9 inserting “January 1, 2012”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to taxable years of foreign corpora-
12 tions beginning after December 31, 2009, and to taxable
13 years of United States shareholders with or within which
14 any such taxable year of such foreign corporation ends.

15 **SEC. 653. BASIS ADJUSTMENT TO STOCK OF S CORPS MAK-**
16 **ING CHARITABLE CONTRIBUTIONS OF PROP-**
17 **ERTY.**

18 (a) IN GENERAL.—Paragraph (2) of section 1367(a)
19 is amended by striking “December 31, 2009” and insert-
20 ing “December 31, 2011”.

21 (b) EFFECTIVE DATE.—The amendment made by
22 this section shall apply to contributions made in taxable
23 years beginning after December 31, 2009.

24 **SEC. 654. EMPOWERMENT ZONE TAX INCENTIVES.**

25 (a) IN GENERAL.—Section 1391 is amended—

1 (1) by striking “December 31, 2009” in sub-
2 section (d)(1)(A)(i) and inserting “December 31,
3 2011”; and

4 (2) by striking the last sentence of subsection
5 (h)(2).

6 (b) INCREASED EXCLUSION OF GAIN ON STOCK OF
7 EMPOWERMENT ZONE BUSINESSES.—Subparagraph (C)
8 of section 1202(a)(2) is amended—

9 (1) by striking “December 31, 2014” and in-
10 serting “December 31, 2016”; and

11 (2) by striking “2014” in the heading and in-
12 serting “2016”.

13 (c) TREATMENT OF CERTAIN TERMINATION DATES
14 SPECIFIED IN NOMINATIONS.—In the case of a designa-
15 tion of an empowerment zone the nomination for which
16 included a termination date which is contemporaneous
17 with the date specified in subparagraph (A)(i) of section
18 1391(d)(1) of the Internal Revenue Code of 1986 (as in
19 effect before the enactment of this Act), subparagraph (B)
20 of such section shall not apply with respect to such des-
21 ignation if, after the date of the enactment of this section,
22 the entity which made such nomination amends the nomi-
23 nation to provide for a new termination date in such man-
24 ner as the Secretary of the Treasury (or the Secretary’s
25 designee) may provide.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to periods after December 31,
3 2009.

4 **SEC. 655. TAX INCENTIVES FOR INVESTMENT IN THE DIS-**
5 **TRICT OF COLUMBIA.**

6 (a) IN GENERAL.—Subsection (f) of section 1400 is
7 amended by striking “December 31, 2009” each place it
8 appears and inserting “December 31, 2011”.

9 (b) TAX-EXEMPT DC EMPOWERMENT ZONE
10 BONDS.—Subsection (b) of section 1400A is amended by
11 striking “December 31, 2009” and inserting “December
12 31, 2011”.

13 (c) ZERO-PERCENT CAPITAL GAINS RATE.—

14 (1) ACQUISITION DATE.—Paragraphs (2)(A)(i),
15 (3)(A), (4)(A)(i), and (4)(B)(i)(I) of section
16 1400B(b) are each amended by striking “January 1,
17 2010” and inserting “January 1, 2012”.

18 (2) LIMITATION ON PERIOD OF GAINS.—

19 (A) IN GENERAL.—Paragraph (2) of sec-
20 tion 1400B(e) is amended—

21 (i) by striking “December 31, 2014”
22 and inserting “December 31, 2016”; and

23 (ii) by striking “2014” in the heading
24 and inserting “2016”.

1 (B) PARTNERSHIPS AND S-CORPS.—Para-
2 graph (2) of section 1400B(g) is amended by
3 striking “December 31, 2014” and inserting
4 “December 31, 2016”.

5 (d) FIRST-TIME HOMEBUYER CREDIT.—Subsection
6 (i) of section 1400C is amended by striking “January 1,
7 2010” and inserting “January 1, 2012”.

8 (e) EFFECTIVE DATES.—

9 (1) IN GENERAL.—Except as otherwise pro-
10 vided in this subsection, the amendments made by
11 this section shall apply to periods after December
12 31, 2009.

13 (2) TAX-EXEMPT DC EMPOWERMENT ZONE
14 BONDS.—The amendment made by subsection (b)
15 shall apply to bonds issued after December 31,
16 2009.

17 (3) ACQUISITION DATES FOR ZERO-PERCENT
18 CAPITAL GAINS RATE.—The amendments made by
19 subsection (c) shall apply to property acquired or
20 substantially improved after December 31, 2009.

21 (4) HOMEBUYER CREDIT.—The amendment
22 made by subsection (d) shall apply to homes pur-
23 chased after December 31, 2009.

1 **SEC. 656. TEMPORARY INCREASE IN LIMIT ON COVER OVER**
2 **OF RUM EXCISE TAXES TO PUERTO RICO AND**
3 **THE VIRGIN ISLANDS.**

4 (a) **IN GENERAL.**—Paragraph (1) of section 7652(f)
5 is amended by striking “January 1, 2010” and inserting
6 “January 1, 2012”.

7 (b) **EFFECTIVE DATE.**—The amendment made by
8 this section shall apply to distilled spirits brought into the
9 United States after December 31, 2009.

10 **SEC. 657. AMERICAN SAMOA ECONOMIC DEVELOPMENT**
11 **CREDIT.**

12 (a) **IN GENERAL.**—Subsection (d) of section 119 of
13 division A of the Tax Relief and Health Care Act of 2006
14 is amended—

15 (1) by striking “first 4 taxable years” and in-
16 serting “first 6 taxable years”, and

17 (2) by striking “January 1, 2010” and insert-
18 ing “January 1, 2012”.

19 (b) **EFFECTIVE DATE.**—The amendments made by
20 this section shall apply to taxable years beginning after
21 December 31, 2009.

22 **SEC. 658. WORK OPPORTUNITY CREDIT.**

23 (a) **IN GENERAL.**—Subparagraph (B) of section
24 51(c)(4) is amended by striking “August 31, 2011” and
25 inserting “December 31, 2011”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to individuals who begin work for
3 the employer after the date of the enactment of this Act.

4 **SEC. 659. QUALIFIED ZONE ACADEMY BONDS.**

5 (a) IN GENERAL.—Section 54E(c)(1) is amended—

6 (1) by striking “2008 and” and inserting
7 “2008,” and

8 (2) by inserting “and \$400,000,000 for 2011”
9 after “2010,”.

10 (b) REPEAL OF REFUNDABLE CREDIT FOR
11 QZABS.—Paragraph (3) of section 6431(f) is amended by
12 inserting “determined without regard to any allocation re-
13 lating to the national zone academy bond limitation for
14 2011 or any carryforward of such allocation” after
15 “54E)” in subparagraph (A)(iii).

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to obligations issued after Decem-
18 ber 31, 2010.

19 **SEC. 660. MORTGAGE INSURANCE PREMIUMS.**

20 (a) IN GENERAL.—Clause (iv) of section
21 163(h)(3)(E) is amended by striking “December 31,
22 2010” and inserting “December 31, 2011”.

23 (b) EFFECTIVE DATE.—The amendment made by
24 this section shall apply to amounts paid or accrued after
25 December 31, 2010.

1 **SEC. 661. TEMPORARY EXCLUSION OF 100 PERCENT OF**
2 **GAIN ON CERTAIN SMALL BUSINESS STOCK.**

3 (a) IN GENERAL.—Paragraph (4) of section 1202(a)
4 is amended—

5 (1) by striking “January 1, 2011” and insert-
6 ing “January 1, 2012”, and

7 (2) by inserting “AND 2011” after “2010” in the
8 heading thereof.

9 (b) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to stock acquired after December
11 31, 2010.

12 **Subtitle D—Temporary Disaster**
13 **Relief Provisions**

14 **PART I—NEW YORK LIBERTY ZONE**

15 **SEC. 671. TAX-EXEMPT BOND FINANCING.**

16 (a) IN GENERAL.—Subparagraph (D) of section
17 1400L(d)(2) is amended by striking “January 1, 2010”
18 and inserting “January 1, 2012”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 this section shall apply to bonds issued after December
21 31, 2009.

22 **PART II—GO ZONE**

23 **SEC. 681. INCREASE IN REHABILITATION CREDIT.**

24 (a) IN GENERAL.—Subsection (h) of section 1400N
25 is amended by striking “December 31, 2009” and insert-
26 ing “December 31, 2011”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to amounts paid or incurred after
3 December 31, 2009.

4 **SEC. 682. LOW-INCOME HOUSING CREDIT RULES FOR**
5 **BUILDINGS IN GO ZONES.**

6 Section 1400N(c)(5) is amended by striking “Janu-
7 ary 1, 2011” and inserting “January 1, 2012”.

8 **SEC. 683. TAX-EXEMPT BOND FINANCING.**

9 (a) IN GENERAL.—Paragraphs (2)(D) and (7)(C) of
10 section 1400N(a) are each amended by striking “January
11 1, 2011” and inserting “January 1, 2012”.

12 (b) CONFORMING AMENDMENTS.—Sections
13 702(d)(1) and 704(a) of the Heartland Disaster Tax Re-
14 lief Act of 2008 are each amended by striking “January
15 1, 2011” each place it appears and inserting “January
16 1, 2012”.

17 **SEC. 684. BONUS DEPRECIATION DEDUCTION APPLICABLE**
18 **TO THE GO ZONE.**

19 (a) IN GENERAL.—Paragraph (6) of section
20 1400N(d) is amended—

21 (1) by striking “December 31, 2010” both
22 places it appears in subparagraph (B) and inserting
23 “December 31, 2011”, and

1 **SEC. 702. STUDY OF EXTENDED TAX EXPENDITURES.**

2 (a) REPORT REQUIRED.—

3 (1) IN GENERAL.—Not later than the applicable
4 due date, the Chief of Staff of the Joint Committee
5 on Taxation, in consultation with the Comptroller
6 General of the United States, shall submit to the
7 Committee on Ways and Means of the House of
8 Representatives and the Committee on Finance of
9 the Senate a report on each tax expenditure (as de-
10 fined in section 3(3) of the Congressional Budget
11 Impoundment Control Act of 1974 (2 U.S.C.
12 622(3)) extended by this Act.

13 (2) APPLICABLE DUE DATE.—For purposes of
14 this section, the applicable due date, with respect to
15 any tax expenditure is—

16 (A) March 31, 2011, in the case of a tax
17 expenditure extended by this Act which expired
18 not later than December 31, 2009, or

19 (B) September 30, 2011, in the case of
20 any other tax expenditure extended by this Act.

21 (b) ROLLING SUBMISSION OF REPORTS.—The Chief
22 of Staff of the Joint Committee on Taxation shall initially
23 submit the reports for each such tax expenditure enacted
24 in subtitle B of title I (relating to business tax relief) and
25 title IV (relating to energy provisions) in order of the tax
26 expenditure incurring the least aggregate cost to the

1 greatest aggregate cost (determined by reference to the
2 cost estimate of this Act by the Joint Committee on Tax-
3 ation). Thereafter, such reports may be submitted in such
4 order as the Chief of Staff determines appropriate.

5 (c) CONTENTS OF REPORT.—Such reports shall con-
6 tain the following:

7 (1) An explanation of the tax expenditure and
8 any relevant economic, social, or other context under
9 which it was first enacted.

10 (2) A description of the intended purpose of the
11 tax expenditure.

12 (3) An analysis of the overall success of the tax
13 expenditure in achieving such purpose, and evidence
14 supporting such analysis.

15 (4) An analysis of the extent to which further
16 extending the tax expenditure, or making it perma-
17 nent, would contribute to achieving such purpose.

18 (5) A description of the direct and indirect
19 beneficiaries of the tax expenditure, including identi-
20 fying any unintended beneficiaries.

21 (6) An analysis of whether the tax expenditure
22 is the most cost-effective method for achieving the
23 purpose for which it was intended, and a description
24 of any more cost-effective methods through which
25 such purpose could be accomplished.

1 (7) A description of any unintended effects of
2 the tax expenditure that are useful in understanding
3 the tax expenditure's overall value.

4 (8) An analysis of how the tax expenditure
5 could be modified to better achieve its original pur-
6 pose.

7 (9) A brief description of any interactions (ac-
8 tual or potential) with other tax expenditures or di-
9 rect spending programs in the same or related budg-
10 et function worthy of further study.

11 (10) A description of any unavailable informa-
12 tion the staff of the Joint Committee on Taxation
13 may need to complete a more thorough examination
14 and analysis of the tax expenditure, and what must
15 be done to make such information available.

16 (d) MINIMUM ANALYSIS BY DEADLINE.—In the event
17 the Chief of Staff of the Joint Committee on Taxation
18 concludes it will not be feasible to complete all reports by
19 the date specified in subsection (a), at a minimum, the
20 reports for each tax expenditure enacted in subtitle B of
21 title I (relating to business tax relief) and title IV (relating
22 to energy provisions) shall be completed by such date.

