

4

Tom Graves GA9

(Original Signature of Member)

111TH CONGRESS
2D SESSION

H. R.

~~To provide permanent tax relief, extend certain expiring tax provisions, extend unemployment benefits, and make continuing appropriations at lower previous-year levels, and for other purposes.~~

Substitute amendment to the Senate amendment to the House amendment to the Senate amendment to H.R. 4853

IN THE HOUSE OF REPRESENTATIVES

Mr. GRAVES of Georgia introduced the following bill; which was referred to the Committee on _____

A BILL

To provide permanent tax relief, extend certain expiring tax provisions, extend unemployment benefits, and make continuing appropriations at lower previous-year levels, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Common Ground Taxpayers Relief Act of 2010”.

6 (b) AMENDMENT OF 1986 CODE.—Except as other-
7 wise expressly provided, whenever in this Act an amend-

1 ment or repeal is expressed in terms of an amendment
2 to, or repeal of, a section or other provision, the reference
3 shall be considered to be made to a section or other provi-
4 sion of the Internal Revenue Code of 1986.

5 **TITLE I—PERMANENT TAX**
6 **RELIEF**

7 **SEC. 101. REPEAL OF EGTRRA SUNSET.**

8 (a) IN GENERAL.—Section 901 of the Economic
9 Growth and Tax Relief Reconciliation Act of 2001 is re-
10 pealed.

11 (b) SUNSET MAINTAINED FOR EXPANSION OF ADOPT-
12 ION BENEFITS UNDER THE PATIENT PROTECTION AND
13 AFFORDABLE CARE ACT.—Subsection (c) of section
14 10909 of the Patient Protection and Affordable Care Act
15 is amended to read as follows:

16 “(c) SUNSET PROVISION.—All provisions of, and
17 amendments made by, this section shall not apply to tax-
18 able years beginning after December 31, 2011, and the
19 Internal Revenue Code of 1986 shall be applied and ad-
20 ministered to such years as if such provisions and amend-
21 ments had never been enacted.”.

22 **SEC. 102. REPEAL OF JGTRRA SUNSET.**

23 Section 303 of the Jobs and Growth Tax Relief Rec-
24 onciliation Act of 2003 is repealed.

Tom Graves GA9

(Original Signature of Member)

111TH CONGRESS
2D SESSION

H. R.

~~To provide permanent tax relief, extend certain expiring tax provisions, extend unemployment benefits, and make continuing appropriations at lower previous-year levels, and for other purposes.~~

Substitute amendment to the Senate amendment to the House amendment to the Senate amendment to H.R. 4853

IN THE HOUSE OF REPRESENTATIVES

Mr. GRAVES of Georgia introduced the following bill; which was referred to the Committee on _____

A BILL

To provide permanent tax relief, extend certain expiring tax provisions, extend unemployment benefits, and make continuing appropriations at lower previous-year levels, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Common Ground Taxpayers Relief Act of 2010”.

6 (b) AMENDMENT OF 1986 CODE.—Except as other-
7 wise expressly provided, whenever in this Act an amend-

1 **SEC. 103. TECHNICAL AND CONFORMING AMENDMENTS.**

2 The Secretary of the Treasury or the Secretary's del-
3 egate shall not later than 90 days after the date of the
4 enactment of this Act, submit to the Committee on Ways
5 and Means of the House of Representatives and the Com-
6 mittee on Finance of the Senate a draft of any technical
7 and conforming changes in the Internal Revenue Code of
8 1986 which are necessary to reflect throughout such Code
9 the purposes of the provisions of, and amendments made
10 by, this Act.

11 **SEC. 104. REPEAL OF ESTATE, GIFT, AND GENERATION-**
12 **SKIPPING TAXES.**

13 Effective for decedents dying, gifts made, and genera-
14 tion-skipping transfers made, after December 31, 2010,
15 subtitle B of the Internal Revenue Code of 1986 is re-
16 pealed.

17 **TITLE II—TEMPORARY EXTEN-**
18 **SION OF INDIVIDUAL AMT RE-**
19 **LIEF**

20 **SEC. 201. TEMPORARY EXTENSION OF INCREASED ALTER-**
21 **NATIVE MINIMUM TAX EXEMPTION AMOUNT.**

22 (a) IN GENERAL.—Paragraph (1) of section 55(d) is
23 amended—

24 (1) by striking “\$70,950” and all that follows
25 through “2009” in subparagraph (A) and inserting
26 “\$72,450 in the case of taxable years beginning in

1 2010 and \$74,450 in the case of taxable years be-
2 ginning in 2011”, and

3 (2) by striking “\$46,700” and all that follows
4 through “2009” in subparagraph (B) and inserting
5 “\$47,450 in the case of taxable years beginning in
6 2010 and \$48,450 in the case of taxable years be-
7 ginning in 2011”.

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

11 (c) REPEAL OF EGTRRA SUNSET.—Title IX of the
12 Economic Growth and Tax Relief Reconciliation Act of
13 2001 (relating to sunset of provisions of such Act) shall
14 not apply to title VII of such Act (relating to alternative
15 minimum tax).

16 **SEC. 202. TEMPORARY EXTENSION OF ALTERNATIVE MIN-**
17 **IMUM TAX RELIEF FOR NONREFUNDABLE**
18 **PERSONAL CREDITS.**

19 (a) IN GENERAL.—Paragraph (2) of section 26(a) is
20 amended—

21 (1) by striking “or 2009” and inserting “2009,
22 2010, or 2011”, and

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

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

4 **TITLE III—TEMPORARY EXTEN-**
5 **SION OF INVESTMENT INCEN-**
6 **TIVES**

7 **SEC. 301. EXTENSION OF BONUS DEPRECIATION; TEM-**
8 **PORARY 100 PERCENT EXPENSING FOR CER-**
9 **TAIN BUSINESS ASSETS.**

10 (a) IN GENERAL.—Paragraph (2) of section 168(k)
11 is amended—

12 (1) by striking “January 1, 2012” in subpara-
13 graph (A)(iv) and inserting “January 1, 2014”, and

14 (2) by striking “January 1, 2011” each place
15 it appears and inserting “January 1, 2013”.

16 (b) TEMPORARY 100 PERCENT EXPENSING.—Sub-
17 section (k) of section 168 is amended by adding at the
18 end the following new paragraph:

19 “(5) SPECIAL RULE FOR PROPERTY ACQUIRED
20 DURING CERTAIN PRE-2012 PERIODS.—In the case of
21 qualified property acquired by the taxpayer (under
22 rules similar to the rules of clauses (ii) and (iii) of
23 paragraph (2)(A)) after September 8, 2010, and be-
24 fore January 1, 2012, and which is placed in service
25 by the taxpayer before January 1, 2012 (January 1,

1 2013, in the case of property described in subpara-
2 graph (2)(B) or (2)(C)), paragraph (1)(A) shall be
3 applied by substituting ‘100 percent’ for ‘50 per-
4 cent’.”.

5 (c) EXTENSION OF ELECTION TO ACCELERATE THE
6 AMT CREDIT IN LIEU OF BONUS DEPRECIATION.—

7 (1) EXTENSION.—Clause (iii) of section
8 168(k)(4)(D) is amended by striking “or produc-
9 tion” and all that follows and inserting “or produc-
10 tion—

11 “(I) after March 31, 2008, and
12 before January 1, 2010, and

13 “(II) after December 31, 2010,
14 and before January 1, 2013, shall be
15 taken into account under subpara-
16 graph (B)(ii) thereof.”.

17 (2) RULES FOR ROUND 2 EXTENSION PROP-
18 ERTY.—Paragraph (4) of section 168(k) is amended
19 by adding at the end the following new subpara-
20 graph:

21 “(I) SPECIAL RULES FOR ROUND 2 EXTEN-
22 SION PROPERTY.—

23 “(i) IN GENERAL.—In the case of
24 round 2 extension property, this paragraph
25 shall be applied without regard to—

1 “(I) the limitation described in
2 subparagraph (B)(i) thereof, and

3 “(II) the business credit increase
4 amount under subparagraph (E)(iii)
5 thereof.

6 “(ii) TAXPAYERS PREVIOUSLY ELECT-
7 ING ACCELERATION.—In the case of a tax-
8 payer who made the election under sub-
9 paragraph (A) for its first taxable year
10 ending after March 31, 2008, or a tax-
11 payer who made the election under sub-
12 paragraph (H)(ii) for its first taxable year
13 ending after December 31, 2008—

14 “(I) the taxpayer may elect not
15 to have this paragraph apply to round
16 2 extension property, but

17 “(II) if the taxpayer does not
18 make the election under subclause (I),
19 in applying this paragraph to the tax-
20 payer the bonus depreciation amount,
21 maximum amount, and maximum in-
22 crease amount shall be computed and
23 applied to eligible qualified property
24 which is round 2 extension property.
25 The amounts described in subclause

1 (II) shall be computed separately from
2 any amounts computed with respect
3 to eligible qualified property which is
4 not round 2 extension property.

5 “(iii) TAXPAYERS NOT PREVIOUSLY
6 ELECTING ACCELERATION.—In the case of
7 a taxpayer who neither made the election
8 under subparagraph (A) for its first tax-
9 able year ending after March 31, 2008,
10 nor made the election under subparagraph
11 (H)(ii) for its first taxable year ending
12 after December 31, 2008—

13 “(I) the taxpayer may elect to
14 have this paragraph apply to its first
15 taxable year ending after December
16 31, 2010, and each subsequent tax-
17 able year, and

18 “(II) if the taxpayer makes the
19 election under subclause (I), this
20 paragraph shall only apply to eligible
21 qualified property which is round 2
22 extension property.

23 “(iv) ROUND 2 EXTENSION PROP-
24 erty.—For purposes of this subpara-
25 graph, the term ‘round 2 extension prop-

1 erty' means property which is eligible
2 qualified property solely by reason of the
3 extension of the application of the special
4 allowance under paragraph (1) pursuant to
5 the amendments made by section 401(a) of
6 the Tax Relief, Unemployment Insurance
7 Reauthorization, and Job Creation Act of
8 2010 (and the application of such exten-
9 sion to this paragraph pursuant to the
10 amendment made by section 401(c)(1) of
11 such Act).”.

12 (d) CONFORMING AMENDMENTS.—

13 (1) The heading for subsection (k) of section
14 168 is amended by striking “JANUARY 1, 2011”
15 and inserting “JANUARY 1, 2013”.

16 (2) The heading for clause (ii) of section
17 168(k)(2)(B) is amended by striking “PRE-JANU-
18 ARY 1, 2011” and inserting “PRE-JANUARY 1,
19 2013”.

20 (3) Subparagraph (D) of section 168(k)(4) is
21 amended—

22 (A) by striking clauses (iv) and (v),

23 (B) by inserting “and” at the end of clause

24 (ii), and

1 (C) by striking the comma at the end of
2 clause (iii) and inserting a period.

3 (4) Paragraph (5) of section 168(l) is amend-
4 ed—

5 (A) by inserting “and” at the end of sub-
6 paragraph (A),

7 (B) by striking subparagraph (B), and

8 (C) by redesignating subparagraph (C) as
9 subparagraph (B).

10 (5) Subparagraph (C) of section 168(n)(2) is
11 amended by striking “January 1, 2011” and insert-
12 ing “January 1, 2013”.

13 (6) Subparagraph (D) of section 1400L(b)(2) is
14 amended by striking “January 1, 2011” and insert-
15 ing “January 1, 2013”.

16 (7) Subparagraph (B) of section 1400N(d)(3)
17 is amended by striking “January 1, 2011” and in-
18 serting “January 1, 2013”.

19 (e) EFFECTIVE DATES.—

20 (1) IN GENERAL.—Except as provided in para-
21 graph (2), the amendments made by this section
22 shall apply to property placed in service after De-
23 cember 31, 2010, in taxable years ending after such
24 date.

1 (2) TEMPORARY 100 PERCENT EXPENSING.—

2 The amendment made by subsection (b) shall apply
3 to property placed in service after September 8,
4 2010, in taxable years ending after such date.

5 **SEC. 302. TEMPORARY EXTENSION OF INCREASED SMALL**
6 **BUSINESS EXPENSING.**

7 (a) DOLLAR LIMITATION.—Section 179(b)(1) is
8 amended by striking “and” at the end of subparagraph
9 (B) and by striking subparagraph (C) and inserting the
10 following new subparagraphs:

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

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

15 (a) REDUCTION IN LIMITATION.—Section 179(b)(2)
16 is amended by striking “and” at the end of subparagraph
17 (B) and by striking subparagraph (C) and inserting the
18 following new subparagraphs:

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

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

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

1 “(6) INFLATION ADJUSTMENT.—

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

7 “(i) such dollar amount, multiplied by

8 “(ii) the cost-of-living adjustment de-
9 termined under section 1(f)(3) for the cal-
10 endar year in which the taxable year be-
11 gins, by substituting ‘calendar year 2006’
12 for ‘calendar year 1992’ in subparagraph
13 (B) thereof.

14 “(B) ROUNDING.—

15 “(i) DOLLAR LIMITATION.—If the
16 amount in paragraph (1) as increased
17 under subparagraph (A) is not a multiple
18 of \$1,000, such amount shall be rounded
19 to the nearest multiple of \$1,000.

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

1 (d) COMPUTER SOFTWARE.—Section
2 179(d)(1)(A)(ii) is amended by striking “2012” and in-
3 serting “2013”.

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

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

9 **TITLE IV—TEMPORARY EXTEN-**
10 **SION OF UNEMPLOYMENT IN-**
11 **SURANCE AND RELATED MAT-**
12 **TERS**

13 **SEC. 401. TEMPORARY EXTENSION OF UNEMPLOYMENT IN-**
14 **SURANCE PROVISIONS.**

15 (a) IN GENERAL.—

16 (1) Section 4007 of the Supplemental Appro-
17 priations Act 2008 (Public Law 110–252; 26 U.S.C.
18 3304 note) is amended—

19 (A) by striking “November 30, 2010” each
20 place it appears and inserting “January 3,
21 2012”;

22 (B) in the heading for subsection (b)(2),
23 by striking “NOVEMBER 30, 2010” and in-
24 serting “JANUARY 3, 2012”; and

1 (C) in subsection (b)(3), by striking “April
2 30, 2011” and inserting “June 9, 2012”.

3 (2) Section 2005 of the Assistance for Unem-
4 ployed Workers and Struggling Families Act, as con-
5 tained in Public Law 111–5 (26 U.S.C. 3304 note;
6 123 Stat. 444), is amended—

7 (A) by striking “December 1, 2010” each
8 place it appears and inserting “January 4,
9 2012”; and

10 (B) in subsection (e), by striking “May 1,
11 2011” and inserting “June 11, 2012”.

12 (3) Section 5 of the Unemployment Compensa-
13 tion Extension Act of 2008 (Public Law 110–449;
14 26 U.S.C. 3304 note) is amended by striking “April
15 30, 2011” and inserting “June 10, 2012”.

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

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

21 (2) by inserting after subparagraph (F) the fol-
22 lowing:

23 “(G) the amendments made by section
24 501(a)(1) of the Tax Relief, Unemployment In-

1 surance Reauthorization, and Job Creation Act
2 of 2010; and”.

3 (c) **EFFECTIVE DATE.**—The amendments made by
4 this section shall take effect as if included in the enact-
5 ment of the Unemployment Compensation Extension Act
6 of 2010 (Public Law 111–205).

7 **SEC. 402. TEMPORARY MODIFICATION OF INDICATORS**
8 **UNDER THE EXTENDED BENEFIT PROGRAM.**

9 (a) **INDICATOR.**—Section 203(d) of the Federal-State
10 Extended Unemployment Compensation Act of 1970 (26
11 U.S.C. 3304 note) is amended, in the flush matter fol-
12 lowing paragraph (2), by inserting after the first sentence
13 the following sentence: “Effective with respect to com-
14 pensation for weeks of unemployment beginning after the
15 date of enactment of the Tax Relief, Unemployment Insur-
16 ance Reauthorization, and Job Creation Act of 2010 (or,
17 if later, the date established pursuant to State law), and
18 ending on or before December 31, 2011, the State may
19 by law provide that the determination of whether there
20 has been a state ‘on’ or ‘off’ indicator beginning or ending
21 any extended benefit period shall be made under this sub-
22 section as if the word ‘two’ were ‘three’ in subparagraph
23 (1)(A).”.

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

4 (1) by redesignating paragraph (2) as para-
5 graph (3); and

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

8 “(2) Effective with respect to compensation for
9 weeks of unemployment beginning after the date of
10 enactment of the Tax Relief, Unemployment Insur-
11 ance Reauthorization, and Job Creation Act of 2010
12 (or, if later, the date established pursuant to State
13 law), and ending on or before December 31, 2011,
14 the State may by law provide that the determination
15 of whether there has been a state ‘on’ or ‘off’ indi-
16 cator beginning or ending any extended benefit pe-
17 riod shall be made under this subsection as if the
18 word ‘either’ were ‘any’, the word ‘both’ were ‘all’,
19 and the figure ‘2’ were ‘3’ in clause (1)(A)(ii).”.

20 **SEC. 403. TECHNICAL AMENDMENT RELATING TO COLLEC-**
21 **TION OF UNEMPLOYMENT COMPENSATION**
22 **DEBTS.**

23 (a) IN GENERAL.—Section 6402(f)(3)(C), as amend-
24 ed by section 801 of the Claims Resolution Act of 2010,
25 is amended by striking “is not a covered unemployment

1 compensation debt” and inserting “is a covered unemploy-
2 ment compensation debt”.

3 (b) EFFECTIVE DATE.—The amendment made by
4 subsection (a) shall take effect as if included in section
5 801 of the Claims Resolution Act of 2010.

6 **SEC. 404. TECHNICAL CORRECTION RELATING TO REPEAL**
7 **OF CONTINUED DUMPING AND SUBSIDY OFF-**
8 **SET.**

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

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

15 **SEC. 405. ADDITIONAL EXTENDED UNEMPLOYMENT BENE-**
16 **FITS UNDER THE RAILROAD UNEMPLOY-**
17 **MENT INSURANCE ACT.**

18 (a) EXTENSION.—Section 2(c)(2)(D)(iii) of the Rail-
19 road Unemployment Insurance Act, as added by section
20 2006 of the American Recovery and Reinvestment Act of
21 2009 (Public Law 111–5) and as amended by section 9
22 of the Worker, Homeownership, and Business Assistance
23 Act of 2009 (Public Law 111–92), is amended

24 (1) by striking “June 30, 2010” and inserting
25 “June 30, 2011”; and

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

3 (b) CLARIFICATION ON AUTHORITY TO USE
4 FUNDS.—Funds appropriated under either the first or
5 second sentence of clause (iv) of section 2(c)(2)(D) of the
6 Railroad Unemployment Insurance Act shall be available
7 to cover the cost of additional extended unemployment
8 benefits provided under such section 2(c)(2)(D) by reason
9 of the amendments made by subsection (a) as well as to
10 cover the cost of such benefits provided under such section
11 2(c)(2)(D), as in effect on the day before the date of the
12 enactment of this Act.

13 **TITLE V—RESCISSION OF** 14 **UNSPENT STIMULUS FUNDS**

15 **SEC. 501. RESCISSION.**

16 Of the discretionary appropriations made available in
17 division A of the American Recovery and Reinvestment
18 Act of 2009 (Public Law 111–5), all unobligated balances
19 are rescinded.

20 **SEC. 502. REPEAL.**

21 Subtitles B and C of title II and titles III through
22 VII of division B of the American Recovery and Reinvest-
23 ment Act of 2009 (Public Law 111–5) are repealed.

1 TITLE VI—CONTINUING APPROPRIATIONS AT
2 PREVIOUS YEAR LEVELS

3 That the following sums are hereby appropriated, out
4 of any money in the Treasury not otherwise appropriated,
5 and out of applicable corporate or other revenues, receipts,
6 and funds, for the several departments, agencies, corpora-
7 tions, and other organizational units of Government for
8 fiscal year 2011, and for other purposes, namely:

9 SEC. 601. (a) The amounts provided in the appro-
10 priations Acts for fiscal year 2008 referred to in section
11 101 of division A of Public Law 110-329 and under the
12 authority and conditions provided in such Acts for projects
13 or activities (including the costs of direct loans and loan
14 guarantees) that are not otherwise provided for, that were
15 conducted in fiscal years 2008 and 2010, and for which
16 appropriations, funds, or other authority were made avail-
17 able in such Acts.

18 (b) If the amount provided for a project or activity
19 by subsection (a) would be higher than the amount pro-
20 vided in appropriation Acts for fiscal year 2010, such
21 project or activity shall be funded at the lower such
22 amount.

23 SEC. 602. There is hereby enacted into law the provi-
24 sions of the following:

1 (1) The Department of Defense Appropriations
2 Act, 2011, as reported in the 111th Congress by the
3 Subcommittee on Defense of the Committee on Ap-
4 propriations of the House of Representatives.

5 (2) The Department of Homeland Security Ap-
6 propriations Act, 2011, as reported in the 111th
7 Congress by the Subcommittee on Homeland Secu-
8 rity of the Committee on Appropriations of the
9 House of Representatives.

10 (3) The Military Construction and Veterans Af-
11 fairs and Related Agencies Appropriations Act,
12 2011, as passed in the 111th Congress by the House
13 of Representatives.

14 SEC. 603. Appropriations made by section 501 shall
15 be available to the extent and in the manner that would
16 be provided by the pertinent appropriations Act.

17 SEC. 604. Unless otherwise provided for in the appli-
18 cable appropriations Act, appropriations and funds made
19 available and authority granted pursuant to this joint res-
20 olution shall be available through September 30, 2011.

21 SEC. 605. For entitlements and other mandatory pay-
22 ments whose budget authority was provided in appropria-
23 tions Acts for fiscal year 2010, and for activities under
24 the Food and Nutrition Act of 2008, activities shall be
25 continued at the rate to maintain program levels under