

114TH CONGRESS  
2D SESSION

# S. 3506

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

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IN THE SENATE OF THE UNITED STATES

DECEMBER 6, 2016

Mr. HATCH (for himself and Mr. WYDEN) introduced the following bill; which  
was read twice and referred to the Committee on Finance

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## A BILL

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

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

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS; ETC.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Tax Technical Corrections Act of 2016”.

6 (b) AMENDMENT OF INTERNAL REVENUE CODE OF  
7 1986.—Except as otherwise expressly provided, whenever  
8 in this Act an amendment or repeal is expressed in terms  
9 of an amendment to, or repeal of, a section or other provi-  
10 sion, the reference shall be considered to be made to a

1 section or other provision of the Internal Revenue Code  
2 of 1986.

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

Sec. 1. Short title; table of contents; etc.

#### TITLE I—TAX TECHNICAL CORRECTIONS

Sec. 101. Amendments relating to Protecting Americans from Tax Hikes Act of 2015.

Sec. 102. Amendment relating to Consolidated Appropriations Act, 2016.

Sec. 103. Amendments relating to Fixing America’s Surface Transportation Act.

Sec. 104. Amendments relating to Surface Transportation and Veterans Health Care Choice Improvement Act of 2015.

Sec. 105. Amendments relating to Stephen Beck, Jr., ABLE Act of 2014.

Sec. 106. Amendment relating to American Taxpayer Relief Act of 2012.

Sec. 107. Amendment relating to United States-Korea Free Trade Agreement Implementation Act.

Sec. 108. Amendment relating to SAFETEA-LU.

Sec. 109. Amendment relating to the American Jobs Creation Act of 2004.

#### TITLE II—TECHNICAL CORRECTIONS RELATED TO PARTNERSHIP AUDIT RULES

Sec. 201. Scope of adjustments subject to partnership audit rules.

Sec. 202. Determination of imputed underpayments.

Sec. 203. Alternative procedure to filing amended returns for purposes of modifying imputed underpayment.

Sec. 204. Treatment of passthrough partners in tiered structures.

Sec. 205. Treatment of failure of partnership to pay imputed underpayment.

Sec. 206. Other technical corrections related to partnership audit rules.

Sec. 207. Effective date.

#### TITLE III—OTHER CORRECTIONS

Sec. 301. Amendments relating to the Bipartisan Budget Act of 2015.

Sec. 302. Amendments relating to the Energy Policy Act of 2005.

#### TITLE IV—CLERICAL CORRECTIONS AND DEADWOOD

Sec. 401. Clerical corrections and deadwood-related provisions.

1           **TITLE I—TAX TECHNICAL**  
2                           **CORRECTIONS**

3   **SEC. 101. AMENDMENTS RELATING TO PROTECTING AMER-**  
4                           **ICANS FROM TAX HIKES ACT OF 2015.**

5           (a) AMENDMENT RELATING TO SECTION 105.—Sec-  
6   tion 132(f)(6)(A) is amended by striking the second sen-  
7   tence.

8           (b) AMENDMENTS RELATING TO SECTION 121.—  
9   Section 41(c) is amended—

10                   (1) by striking paragraph (4),

11                   (2) by redesignating paragraphs (5), (6), and  
12                   (7) as paragraphs (4), (5), and (6), respectively, and

13                   (3) by striking the last sentence of paragraph  
14                   (4)(C) (as so redesignated).

15           (c) AMENDMENTS RELATING TO SECTION 143.—

16                   (1) Section 168(k)(2)(B)(i)(III) is amended by  
17                   inserting “binding” before “contract”.

18                   (2) Section 168(k)(5)(B)(ii) is amended—

19                           (A) by inserting “crop or” after “more  
20                   than one”, and

21                           (B) by inserting “a marketable crop or  
22                   yield of” after “begins bearing”.

23                   (3) Section 168(k)(5)(F) is amended—

1           (A) by striking “(or is grafted to a plant  
2           that has already been planted before such  
3           date)”,

4           (B) by inserting “or grafted” after “which  
5           is planted”, and

6           (C) by striking “(or so grafted)” in clauses  
7           (i) and (ii) and inserting “or grafted”.

8           (4) Section 168(k)(6) is amended to read as fol-  
9           lows:

10           “(6) PHASE-DOWN.—In the case of qualified  
11           property placed in service by the taxpayer after De-  
12           cember 31, 2017 (December 31, 2018, in the case  
13           of property described in subparagraph (B) or (C) of  
14           paragraph (2)), paragraph (1)(A) shall be applied by  
15           substituting for ‘50 percent’—

16                   “(A) ‘40 percent’ in the case of—

17                           “(i) property placed in service in 2018  
18                           (other than property described in subpara-  
19                           graph (B) or (C) of paragraph (2)), and

20                           “(ii) property described in subpara-  
21                           graph (B) or (C) of paragraph (2) which  
22                           is placed in service in 2019, and

23                           “(B) ‘30 percent’ in the case of—

1 “(i) property placed in service in 2019  
2 (other than property described in subpara-  
3 graph (B) or (C) of paragraph (2)), and

4 “(ii) property described in subpara-  
5 graph (B) or (C) of paragraph (2) which  
6 is placed in service in 2020.”.

7 (5) Section 168(k)(7) is amended by striking  
8 “paragraphs (1) and (2)(F)” and inserting “para-  
9 graphs (1), (2)(F), and (4)”.

10 (d) AMENDMENTS RELATING TO SECTION 167.—

11 (1) Section 168(j)(3) is amended by striking  
12 “property to which paragraph (1) applies” and in-  
13 serting “qualified Indian reservation property”.

14 (2) Section 168(j)(8) is amended by striking  
15 “this subsection” and inserting “paragraph (1)”.

16 (e) AMENDMENTS RELATING TO SECTION 202.—

17 (1) Section 6722(c)(3)(A) is amended—

18 (A) by striking “any information return”  
19 in clause (iii) and inserting “such payee state-  
20 ment”, and

21 (B) by striking “filed” in the flush matter  
22 at the end and inserting “furnished”.

23 (2) Section 202(e) of the Protecting Americans  
24 from Tax Hikes Act of 2015 is amended by striking  
25 “provided” and inserting “furnished”.

1 (f) AMENDMENTS RELATING TO SECTION 203.—

2 (1) Section 6109(i)(1)(A)(i) is amended by  
3 striking “community-based certified acceptance  
4 agent” and inserting “community-based certifying  
5 acceptance agent”.

6 (2) Section 6109(i)(1)(B) is amended by strik-  
7 ing “Internal Revenue Service” and inserting “Inter-  
8 nal Revenue Service, a community-based certifying  
9 acceptance agent approved by the Secretary,”.

10 (3) Section 6109(i)(3) is amended—

11 (A) in subparagraph (A)—

12 (i) by inserting “ending after the  
13 issuance of such number” before the period  
14 at the end of the first sentence, and

15 (ii) by striking “on the last day of  
16 such third consecutive taxable year” and  
17 inserting “on the day after the due date  
18 for the return of tax for such third con-  
19 secutive taxable year”, and

20 (B) by striking subparagraph (B)(ii) and  
21 inserting the following:

22 “(ii) if the individual does not file a  
23 return of tax (or is not included as a de-  
24 pendent on the return of tax of another  
25 taxpayer) for 3 consecutive taxable years

1 at least one of which ends after December  
2 18, 2015, the due date for the return of  
3 tax for such third consecutive taxable  
4 year.”.

5 (4) Section 203(c) of the Protecting Americans  
6 from Tax Hikes Act of 2015 is amended—

7 (A) by striking “section 6109(i)(1)(A)(i)”  
8 and inserting “section 6109(i)(1)”,

9 (B) by striking “community-based certified  
10 acceptance agents” and inserting “community-  
11 based certifying acceptance agents”, and

12 (C) by striking “CERTIFIED” in the head-  
13 ing thereof and inserting “CERTIFYING”.

14 (5) Section 203(f) of the Protecting Americans  
15 from Tax Hikes Act of 2015 is amended by striking  
16 “The amendments” and inserting “Except to the ex-  
17 tent provided in section 6109(i)(3) of the Internal  
18 Revenue Code of 1986, the amendments”.

19 (g) AMENDMENTS RELATING TO SECTION 204.—  
20 Section 204(b) of the Protecting Americans from Tax  
21 Hikes Act of 2015 is amended—

22 (1) by striking paragraph (2), and

23 (2) by striking so much as precedes “amend-  
24 ment made by this section” and inserting the fol-  
25 lowing: “(b) EFFECTIVE DATE.—The”.

1 (h) AMENDMENTS RELATING TO SECTION 205.—

2 (1) Section 24(e)(2) is amended by striking  
3 “identifying number” and inserting “taxpayer identi-  
4 fication number”.

5 (2) Section 205(c) of the Protecting Americans  
6 from Tax Hikes Act of 2015 is amended—

7 (A) by striking paragraph (2), and

8 (B) by striking so much as precedes “shall  
9 apply to any return of tax” and inserting the  
10 following: “(c) EFFECTIVE DATE.—The amend-  
11 ments made by this section”.

12 (i) AMENDMENTS RELATING TO SECTION 206.—Sec-  
13 tion 206(b) of the Protecting Americans from Tax Hikes  
14 Act of 2015 is amended—

15 (1) by striking “Except as provided in para-  
16 graph (2), the amendment” in paragraph (1) and in-  
17 serting “The amendment”, and

18 (2) by striking paragraph (2) and redesignating  
19 paragraph (3) as paragraph (2).

20 (j) AMENDMENT RELATING TO SECTION 209.—Sec-  
21 tion 209(d)(2) of the Protecting Americans from Tax  
22 Hikes Act of 2015 is amended by striking “amendment  
23 made by subsection (b)” and inserting “amendments made  
24 by subsections (b) and (c)”.



1 (k) AMENDMENTS RELATED TO SECTIONS 102, 206,  
2 207, 208, AND 211.—

3 (1) Section 25A(b)(1) is amended—

4 (A) in subparagraph (A) by striking  
5 “\$1,000” and inserting “\$2,000”, and

6 (B) in subparagraph (B)—

7 (i) by striking “50 percent” and in-  
8 serting “25 percent”,

9 (ii) by striking “\$1,000” and insert-  
10 ing “\$2,000”, and

11 (iii) by striking “the applicable limit”  
12 and inserting “\$4,000”.

13 (2) Subparagraphs (A) and (C) of section  
14 25A(b)(2) are amended by striking “2” in the head-  
15 ing and text of each subparagraph and inserting  
16 “4”.

17 (3) Section 25A(b)(4) is amended to read as  
18 follows:

19 “(4) RESTRICTIONS ON TAXPAYERS WHO IM-  
20 PROPERLY CLAIMED AMERICAN OPPORTUNITY TAX  
21 CREDIT IN PRIOR YEARS.—

22 “(A) TAXPAYERS MAKING PRIOR FRAUDU-  
23 LENT OR RECKLESS CLAIMS.—

24 “(i) IN GENERAL.—No American Op-  
25 portunity Tax Credit shall be allowed

1 under this section for any taxable year in  
2 the disallowance period.

3 “(ii) DISALLOWANCE PERIOD.—For  
4 purposes of subparagraph (A), the dis-  
5 allowance period is—

6 “(I) the period of 10 taxable  
7 years after the most recent taxable  
8 year for which there was a final deter-  
9 mination that the taxpayer’s claim of  
10 the American Opportunity Tax Credit  
11 under this section was due to fraud,  
12 and

13 “(II) the period of 2 taxable  
14 years after the most recent taxable  
15 year for which there was a final deter-  
16 mination that the taxpayer’s claim of  
17 the American Opportunity Tax Credit  
18 under this section was due to reckless  
19 or intentional disregard of rules and  
20 regulations (but not due to fraud).

21 “(B) TAXPAYERS MAKING IMPROPER  
22 PRIOR CLAIMS.—In the case of a taxpayer who  
23 is denied the American Opportunity Tax Credit  
24 under this section for any taxable year as a re-  
25 sult of the deficiency procedures under sub-

1 chapter B of chapter 63, no American Oppor-  
2 tunity Tax Credit shall be allowed under this  
3 section for any subsequent taxable year unless  
4 the taxpayer provides such information as the  
5 Secretary may require to demonstrate eligibility  
6 for such credit.”.

7 (4) Section 25A(d) is amended to read as fol-  
8 lows:

9 “(d) LIMITATIONS BASED ON MODIFIED ADJUSTED  
10 GROSS INCOME.—

11 “(1) AMERICAN OPPORTUNITY TAX CREDIT.—  
12 The American Opportunity Tax Credit (determined  
13 without regard to this paragraph) shall be reduced  
14 (but not below zero) by the amount which bears the  
15 same ratio to such credit (as so determined) as—

16 “(A) the excess of—

17 “(i) the taxpayer’s modified adjusted  
18 gross income for such taxable year, over

19 “(ii) \$80,000 (\$160,000 in the case of  
20 a joint return), bears to

21 “(B) \$10,000 (\$20,000 in the case of a  
22 joint return).

23 “(2) LIFETIME LEARNING CREDIT.—The Life-  
24 time Learning Credit (determined without regard to  
25 this paragraph) shall be reduced (but not below

1 zero) by the amount which bears the same ratio to  
 2 such credit (as so determined) as—

3 “(A) the excess of—

4 “(i) the taxpayer’s modified adjusted  
 5 gross income for such taxable year, over

6 “(ii) \$40,000 (\$80,000 in the case of  
 7 a joint return), bears to

8 “(B) \$10,000 (\$20,000 in the case of a  
 9 joint return).

10 “(3) MODIFIED ADJUSTED GROSS INCOME.—

11 For purposes of this subsection, the term ‘modified  
 12 adjusted gross income’ means the adjusted gross in-  
 13 come of the taxpayer for the taxable year increased  
 14 by any amount excluded from gross income under  
 15 section 911, 931, or 933.”.

16 (5) Section 25A(f)(1) is amended by adding at  
 17 the end the following new subparagraph:

18 “(D) REQUIRED COURSE MATERIALS  
 19 TAKEN INTO ACCOUNT FOR AMERICAN OPPOR-  
 20 TUNITY TAX CREDIT.—For purposes of deter-  
 21 mining the American Opportunity Tax Credit,  
 22 subparagraph (A) shall be applied by sub-  
 23 stituting ‘tuition, fees, and course materials’ for  
 24 ‘tuition and fees’.”.

25 (6) Section 25A(g)(1) is amended—

1 (A) by striking “No credit” and inserting  
2 the following:

3 “(A) IN GENERAL.—No credit”, and

4 (B) by adding at the end the following new  
5 subparagraph:

6 “(B) ADDITIONAL IDENTIFICATION RE-  
7 QUIREMENTS WITH RESPECT TO AMERICAN OP-  
8 PORTUNITY TAX CREDIT.—

9 “(i) STUDENT.—The requirements of  
10 subparagraph (A) shall not be treated as  
11 met with respect to the American Oppor-  
12 tunity Tax Credit unless the individual’s  
13 taxpayer identification number was issued  
14 on or before the due date for filing the re-  
15 turn of tax for the taxable year.

16 “(ii) TAXPAYER.—No American Op-  
17 portunity Tax Credit shall be allowed  
18 under this section if the taxpayer identi-  
19 fication number of the taxpayer was issued  
20 after the due date for filing the return for  
21 the taxable year.

22 “(iii) INSTITUTION.—No American  
23 Opportunity Tax Credit shall be allowed  
24 under this section unless the taxpayer in-  
25 cludes the employer identification number

1 of any institution to which qualified tuition  
2 and related expenses were paid with re-  
3 spect to the individual.”.

4 (7) Section 25A(h) is amended to read as fol-  
5 lows:

6 “(h) INFLATION ADJUSTMENT.—

7 “(1) IN GENERAL.—In the case of a taxable  
8 year beginning after 2001, the \$40,000 and \$80,000  
9 amounts in subsection (d)(2) shall each be increased  
10 by an amount equal to—

11 “(A) such dollar amount, multiplied by

12 “(B) the cost-of-living adjustment deter-  
13 mined under section 1(f)(3) for the calendar  
14 year in which the taxable year begins, deter-  
15 mined by substituting ‘calendar year 2000’ for  
16 ‘calendar year 1992’ in subparagraph (B)  
17 thereof.

18 “(2) ROUNDING.—If any amount as adjusted  
19 under paragraph (1) is not a multiple of \$1,000,  
20 such amount shall be rounded to the next lowest  
21 multiple of \$1,000.”.

22 (8) Section 25A(i) is amended to read as fol-  
23 lows:

24 “(i) PORTION OF AMERICAN OPPORTUNITY TAX  
25 CREDIT MADE REFUNDABLE.—Forty percent of so much

1 of the credit allowed under subsection (a) as is attrib-  
2 utable to the American Opportunity Tax Credit (deter-  
3 mined after application of subsection (d) and without re-  
4 gard to this paragraph and section 26(a)) shall be treated  
5 as a credit allowable under subpart C (and not allowed  
6 under subsection (a)). The preceding sentence shall not  
7 apply to any taxpayer for any taxable year if such tax-  
8 payer is a child to whom subsection (g) of section 1 applies  
9 for such taxable year.”.

10 (9) The heading of section 25A is amended by  
11 striking “**HOPE**” and inserting “**AMERICAN OP-**  
12 **PORTUNITY**”.

13 (10) The item relating to section 25A in the  
14 table of contents for subpart A of part IV of sub-  
15 chapter A of chapter 1 is amended to read as fol-  
16 lows:

“Sec. 25A. American Opportunity and Lifetime Learning credits.”.

17 (11) The heading of section 25A(b) is amended  
18 by striking “HOPE SCHOLARSHIP CREDIT” and in-  
19 serting “AMERICAN OPPORTUNITY TAX CREDIT”.

20 (12) The heading of section 25A(b)(2) is  
21 amended by striking “HOPE SCHOLARSHIP CREDIT”  
22 and inserting “AMERICAN OPPORTUNITY TAX CRED-  
23 IT”.

1           (13) The heading of section 25A(c)(2)(A) is  
2 amended by striking “HOPE SCHOLARSHIP” and in-  
3 serting “AMERICAN OPPORTUNITY TAX CREDIT”.

4           (14) Section 25A, as amended by the preceding  
5 provisions of this Act, is amended by striking “Hope  
6 Scholarship Credit” each place it appears in the text  
7 and inserting “American Opportunity Tax Credit”.

8           (15) The heading of section 529(c)(3)(B)(v) is  
9 amended by striking “HOPE” and inserting “AMER-  
10 ICAN OPPORTUNITY”.

11           (16) The heading of section 530(d)(2)(C) is  
12 amended by striking “HOPE” and inserting “AMER-  
13 ICAN OPPORTUNITY”.

14           (17) Section 6211(b)(4)(A), as amended by this  
15 Act, is amended by striking “subsection (i)(5)” and  
16 inserting “subsection (i)”.

17           (18) Section 6213(g)(2)(Q) is amended to read  
18 as follows:

19                   “(Q) an omission of information required  
20 by section 25A(b)(4)(B) or an entry on the re-  
21 turn claiming the American Opportunity Tax  
22 Credit for a taxable year for which such credit  
23 is disallowed under section 25A(b)(4)(A).”.

24           (19) Section 207(b)(1) of the Protecting Ameri-  
25 cans from Tax Hikes Act of 2015 is amended by



1 striking “the American opportunity tax credit under  
 2 section 25A(i) of such Code” and inserting “the  
 3 American Opportunity Tax Credit under section 25A  
 4 of such Code”.

5 (l) AMENDMENT RELATING TO SECTION 311.—

6 (1) The last sentence of section 355(h)(2)(B) is  
 7 amended by striking “80 percent” both places it ap-  
 8 pears and inserting “at least 80 percent”.

9 (2) Section 355(h)(2) is amended—

10 (A) by striking “SPINOFFS” in the heading  
 11 of such paragraph and inserting “DISTRIBU-  
 12 TIONS”, and

13 (B) by striking “SPINOFFS” in the head-  
 14 ings of subparagraphs (A) and (B) and insert-  
 15 ing “DISTRIBUTIONS”.

16 (m) AMENDMENT RELATING TO SECTION 318.—

17 (1) Section 856(c)(9)(A) is amended—

18 (A) by striking “Personal property” and  
 19 inserting the following:

20 “(i) IN GENERAL.—Personal prop-  
 21 erty”, and

22 (B) by adding at the end the following new  
 23 clause:

24 “(ii) TREATMENT OF GAIN ON DIS-  
 25 POSITION.—If—

1           “(I) personal property is leased  
2           under, or in connection with, a lease  
3           of real property, for a period of not  
4           less than 1 year, and rents attrib-  
5           utable to such personal property are  
6           treated as rents from real property  
7           under subsection (d)(1)(C),

8           “(II) any portion of such per-  
9           sonal property and any portion of  
10          such real property are sold, or other-  
11          wise disposed of, in a single disposi-  
12          tion (or contemporaneously in sepa-  
13          rate dispositions), and

14          “(III) the fair market value of  
15          the personal property so sold or con-  
16          temporaneously disposed of (deter-  
17          mined at the time of disposition) does  
18          not exceed 15 percent of the total fair  
19          market value of all of the personal  
20          and real property so sold or contem-  
21          poraneously disposed of (determined  
22          at the time of disposition),

23          any gain from such dispositions shall be  
24          treated for purposes of paragraphs (2)(H)

1 and (3)(H) as gain from the disposition of  
2 a real estate asset.”.

3 (2) Section 856(c)(9)(B) is amended to read as  
4 follows:

5 “(B) CERTAIN PERSONAL PROPERTY  
6 MORTGAGED IN CONNECTION WITH REAL PROP-  
7 ERTY.—

8 “(i) IN GENERAL.—In the case of an  
9 obligation secured by a mortgage on both  
10 real property and personal property, if the  
11 fair market value of such personal property  
12 does not exceed 15 percent of the total fair  
13 market value of all such property, such ob-  
14 ligation shall be treated—

15 “(I) for purposes of paragraph  
16 (3)(B), as an obligation described  
17 therein,

18 “(II) for purposes of paragraph  
19 (4)(A), as a real estate asset, and

20 “(III) for purposes of paragraphs  
21 (2)(D) and (3)(C), as a mortgage on  
22 real property.

23 “(ii) DETERMINATION OF FAIR MAR-  
24 KET VALUE.—

1                   “(I) IN GENERAL.—Except as  
 2                   provided in subclause (II), the fair  
 3                   market value of all such property shall  
 4                   be determined for purposes of clause  
 5                   (i) in the same manner as the fair  
 6                   market value of real property is deter-  
 7                   mined for purposes of apportioning in-  
 8                   terest income between real property  
 9                   and personal property under para-  
 10                  graph (3)(B).

11                  “(II) GAIN ON DISPOSITION.—  
 12                  For purposes of applying clause  
 13                  (i)(III), fair market value shall be de-  
 14                  termined at the time of sale or other  
 15                  disposition.”.

16                  (n) AMENDMENTS RELATING TO SECTION 322.—

17                   (1) Section 897(k)(2) is amended—

18                   (A) by striking so much of subparagraph  
 19                   (B) as precedes “amounts realized by the quali-  
 20                   fied shareholder” and inserting the following:

21                   “(B) EXCEPTION.—In the case of a quali-  
 22                   fied shareholder with one or more applicable in-  
 23                   vestors—

24                   “(i) subparagraph (A)(i) shall not  
 25                   apply to the applicable percentage of the

1 stock of the real estate investment trust  
2 held by the qualified shareholder, and

3 “(ii) the applicable percentage of the”,  
4 and

5 (B) by adding at the end the following new  
6 subparagraph:

7 “(F) APPLICABLE PERCENTAGE.—For  
8 purposes of subparagraph (B), the term ‘appli-  
9 cable percentage’ means the percentage of the  
10 value of the interests (other than interests held  
11 solely as a creditor) in the qualified shareholder  
12 held by applicable investors.”.

13 (2) Section 897(k)(2)(D) is amended by strik-  
14 ing “paragraph” and inserting “subsection”.

15 (3) Section 897(k)(2)(E) is amended by strik-  
16 ing “and (C) and paragraph (4)” and inserting “and  
17 (D)”.

18 (4) Section 897(k)(3)(B)(i) is amended by  
19 striking so much as precedes “for a reduced rate of  
20 withholding” and inserting the following:

21 “(i) which—

22 “(I) is eligible for benefits under  
23 the comprehensive income tax treaty  
24 described in subparagraph (A)(i)(I),  
25 but only if the dividends article of

1 such treaty imposes conditions on the  
2 benefits allowable in the case of divi-  
3 dends paid by a real estate investment  
4 trust, and  
5 “(II) is eligible under such trea-  
6 ty”.

7 (5) Section 897(k)(3)(B)(ii) is amended—

8 (A) by adding “and” at the end of sub-  
9 clause (II), and

10 (B) by striking “United States corpora-  
11 tion” in subclause (III) and inserting “domestic  
12 corporation”.

13 (6) Section 322 of the Protecting Americans  
14 from Tax Hikes Act of 2015 is amended by striking  
15 subsections (b)(2) and (c)(3), and the Internal Rev-  
16 enue Code of 1986 shall be applied as if such sub-  
17 sections, and amendments made thereby, had never  
18 been enacted.

19 (7) Section 322(c)(2) of such Act is amended  
20 by striking “take effect on” and inserting the fol-  
21 lowing: “apply with respect to testing periods (as de-  
22 fined in section 897(h)(4)(D) of the Internal Rev-  
23 enue Code of 1986) ending on or after”.

24 (o) AMENDMENTS RELATED TO SECTION 323.—

1           (1) So much of subsection (1) of section 897 as  
2 precedes paragraph (2) thereof is amended to read  
3 as follows:

4           “(1) EXCEPTION FOR QUALIFIED FOREIGN PENSION  
5 FUNDS.—

6           “(1) IN GENERAL.—For purposes of this sec-  
7 tion, a qualified foreign pension fund shall not be  
8 treated as a nonresident alien individual or a foreign  
9 corporation. For purposes of the preceding sentence,  
10 an entity all the interests of which are held by a  
11 qualified foreign pension fund shall be treated as  
12 such a fund.”.

13           (2) Subparagraph (B) of section 897(1)(2) is  
14 amended to read as follows:

15           “(B) which is established—

16           “(i) by such country (or one or more  
17 political subdivisions thereof) to provide re-  
18 tirement or pension benefits to participants  
19 or beneficiaries that are current or former  
20 employees (including self-employed individ-  
21 uals) or persons designated by such em-  
22 ployees, as a result of services rendered by  
23 such employees to their employers, or

24           “(ii) by one or more employers to pro-  
25 vide retirement or pension benefits to par-

1            participants or beneficiaries that are current  
2            or former employees (including self-em-  
3            ployed individuals) or persons designated  
4            by such employees in consideration for  
5            services rendered by such employees to  
6            such employers.”.

7            (3) Section 897(l)(2)(D) is amended by striking  
8            “provides annual information reporting about its  
9            beneficiaries to the relevant tax authorities” and in-  
10          sserting “with respect to which annual information  
11          about its beneficiaries is provided, or is otherwise  
12          available, to the relevant tax authorities”.

13          (4) Section 897(l)(2)(E) is amended—

14                  (A) by striking “such entity” in clause (i)  
15                  and inserting “such entity or arrangement”,  
16                  and

17                  (B) by striking “or such income is taxed at  
18                  a reduced rate” in clause (ii) and inserting “,  
19                  or such income is excluded from the gross in-  
20                  come of such entity or arrangement or is taxed  
21                  at a reduced rate”.

22          (p) AMENDMENTS RELATING TO SECTION 333.—

23                  (1) Section 831(b)(2) is amended by redesignig-  
24                  nating subparagraph (D) as subparagraph (E) and



1 by inserting after subparagraph (C) the following  
2 new subparagraph:

3 “(D) LOOK-THROUGH OF REINSURANCE  
4 AND FRONTING ARRANGEMENTS.—In the case  
5 of reinsurance or any fronting, intermediary, or  
6 similar arrangement, the term ‘policyholder’  
7 means each policyholder of the underlying di-  
8 rect written insurance with respect to such rein-  
9 surance or arrangement.”.

10 (2)(A) Subclause (II) of section 831(b)(2)(B)(i)  
11 is amended by striking “specified assets” and insert-  
12 ing “relevant specified assets”.

13 (B) Section 831(b)(2)(B)(ii) is amended by re-  
14 designating subclauses (II), (III), and (IV) as sub-  
15 clauses (III), (IV), and (V), respectively, and by in-  
16 sserting after subclause (I) the following new sub-  
17 clause:

18 “(II) RELEVANT SPECIFIED AS-  
19 SETS.—The term ‘relevant specified  
20 assets’ means, with respect to any  
21 specified holder with respect to any  
22 insurance company, the aggregate  
23 amount of the specified assets, with  
24 respect to such insurance company,  
25 any interest in which is held (directly

1 or indirectly) by any spouse or speci-  
2 fied relation of such specified holder.  
3 Such term shall not include any speci-  
4 fied asset solely by reason of an inter-  
5 est in such asset which was acquired  
6 by such spouse or specified relation by  
7 bequest, devise, or inheritance from a  
8 decedent during the taxable year of  
9 the insurance company or the pre-  
10 ceding taxable year. For purposes of  
11 this subclause, the term ‘specified re-  
12 lation’ means any individual with re-  
13 spect to whom the specified holder  
14 bears a relationship described in sub-  
15 clause (I).”.

16 (q) EFFECTIVE DATE.—The amendments made by  
17 this section shall take effect as if included in the provision  
18 of the Protecting Americans from Tax Hikes Act of 2015  
19 to which they relate.

20 **SEC. 102. AMENDMENT RELATING TO CONSOLIDATED AP-**  
21 **PROPRIATIONS ACT, 2016.**

22 (a) AMENDMENT RELATING TO SECTION 305 OF DI-  
23 VISION P.—Section 199(c)(3)(C)(i) is amended—

1           (1) by inserting “who elects the application of  
2           this clause for any taxable year,” after “In the case  
3           of any taxpayer”,

4           (2) by striking “and who” and inserting “, and  
5           who”,

6           (3) by striking “the taxable year” and inserting  
7           “such taxable year”, and

8           (4) by striking “under subsection (d)(9)(B)”  
9           and inserting “(as defined in subsection (d)(9)(B))”.

10          (b) EFFECTIVE DATE.—The amendment made by  
11 this section shall take effect as if included in section 305  
12 of division P of the Consolidated Appropriations Act,  
13 2016.

14 **SEC. 103. AMENDMENTS RELATING TO FIXING AMERICA’S**  
15 **SURFACE TRANSPORTATION ACT.**

16          (a) AMENDMENTS RELATING TO SECTION 32101.—

17           (1) Section 7345(e)(1) is amended—

18                   (A) by striking “or the Tax Court” and in-  
19                   serting “, or against the Commissioner in the  
20                   Tax Court,”, and

21                   (B) by adding at the end the following:  
22                   “For purposes of the preceding sentence, the  
23                   court first acquiring jurisdiction over such an  
24                   action shall have sole jurisdiction.”.



1           (2) by striking “per gallon” in subparagraph  
 2           (D) and inserting “per energy equivalent of a gallon  
 3           of gasoline (as defined in section 4041(a)(2)(C))”.

4           (c) EFFECTIVE DATE.—The amendments made by  
 5 this section shall take effect as if included in the provision  
 6 of the Surface Transportation and Veterans Health Care  
 7 Choice Improvement Act of 2015 to which they relate.

8   **SEC. 105. AMENDMENTS RELATING TO STEPHEN BECK, JR.,**  
 9                                   **ABLE ACT OF 2014.**

10          (a) AMENDMENTS RELATING TO SECTION 208.—  
 11 Section 208(h) of the Stephen Beck, Jr., ABLE Act of  
 12 2014 is amended—

13           (1) by striking so much as precedes “made by  
 14 this section” and inserting the following:

15           “(h) EFFECTIVE DATE.—

16           “(1) IN GENERAL.—Except as provided in para-  
 17 graph (2), the amendments”,

18           (2) by inserting “, and statements required to  
 19 be furnished,” after “returns required to be filed”,  
 20 and

21           (3) by adding at the end the following new  
 22 paragraph:

23           “(2) SUBSECTION (c).—The amendment made  
 24 by subsection (c) shall apply to returns or claims for  
 25 refund filed after December 31, 2014.”.

1 (b) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect as if included in section 208  
3 of the Stephen Beck, Jr., ABLE Act of 2014.

4 **SEC. 106. AMENDMENT RELATING TO AMERICAN TAXPAYER**  
5 **RELIEF ACT OF 2012.**

6 (a) AMENDMENT RELATING TO SECTION 104.—Sec-  
7 tion 6211(b)(4)(A) is amended by striking “subsection  
8 (i)(6)” and inserting “subsection (i)(5)”.

9 (b) EFFECTIVE DATE.—The amendment made by  
10 this section shall take effect as if included in section 104  
11 of the American Taxpayer Relief Act of 2012.

12 **SEC. 107. AMENDMENT RELATING TO UNITED STATES-**  
13 **KOREA FREE TRADE AGREEMENT IMPLE-**  
14 **MENTATION ACT.**

15 (a) AMENDMENT RELATING TO SECTION 501.—Sec-  
16 tion 501(b) of the United States-Korea Free Trade Agree-  
17 ment Implementation Act is amended by striking “returns  
18 required to be filed” and inserting “documents prepared”.

19 (b) EFFECTIVE DATE.—The amendment made by  
20 this section shall take effect as if included in section 501  
21 of the United States-Korea Free Trade Agreement Imple-  
22 mentation Act.

23 **SEC. 108. AMENDMENT RELATING TO SAFETEA-LU.**

24 (a) AMENDMENT RELATING TO SECTION 11125.—  
25 Section 5681(b) is amended by striking “who has paid the

1 special tax (or who is exempt from payment of such special  
 2 tax by reason of the provisions of section 5113(a))” and  
 3 inserting “who meets the requirements of section 5121(a)  
 4 and section 5124 (or who is exempt from such require-  
 5 ments by reason of section 5121(b))”.

6 (b) EFFECTIVE DATE.—The amendment made by  
 7 this section shall take effect as if included in section  
 8 11125 of the Safe, Accountable, Flexible, Efficient Trans-  
 9 portation Equity Act: A Legacy for Users.

10 **SEC. 109. AMENDMENT RELATING TO THE AMERICAN JOBS**  
 11 **CREATION ACT OF 2004.**

12 (a) AMENDMENT RELATING TO SECTION 319.—Sec-  
 13 tion 501(c)(12)(E) is amended by striking “means the  
 14 Federal Energy Regulatory Commission” and all that fol-  
 15 lows and inserting: “means—

16 “(i) the Federal Energy Regulatory  
 17 Commission, and

18 “(ii) in the case of any utility with re-  
 19 spect to which all of the electricity gen-  
 20 erated, transmitted, or distributed by such  
 21 utility is generated, transmitted, distrib-  
 22 uted, and consumed in the same State, the  
 23 State agency of such State with the au-  
 24 thority to regulate electric utilities.”.

1 (b) EFFECTIVE DATE.—The amendment made by  
 2 this section shall take effect as if included in section 319  
 3 of the American Jobs Creation Act of 2004.

4 **TITLE II—TECHNICAL CORREC-**  
 5 **TIONS RELATED TO PART-**  
 6 **nership AUDIT RULES**

7 **SEC. 201. SCOPE OF ADJUSTMENTS SUBJECT TO PARTNER-**  
 8 **SHIP AUDIT RULES.**

9 (a) IN GENERAL.—Section 6241(2) is amended to  
 10 read as follows:

11 “(2) PARTNERSHIP ADJUSTMENT.—

12 “(A) IN GENERAL.—The term ‘partnership  
 13 adjustment’ means any adjustment to a part-  
 14 nership-related item.

15 “(B) PARTNERSHIP-RELATED ITEM.—The  
 16 term ‘partnership-related item’ means—

17 “(i) any item or amount with respect  
 18 to the partnership (without regard to  
 19 whether or not such item or amount ap-  
 20 pears on the partnership’s return and in-  
 21 cluding any item or amount relating to any  
 22 transaction with, basis in, or liability of,  
 23 the partnership) which is relevant (deter-  
 24 mined without regard to this subchapter)



1 in determining the tax liability of any per-  
2 son under chapter 1, and

3 “(ii) any partner’s distributive share  
4 of any item or amount described in clause  
5 (i).”.

6 (b) COORDINATION WITH OTHER CHAPTERS.—Sec-  
7 tion 6241 is amended by adding at the end the following  
8 new paragraph:

9 “(9) COORDINATION WITH OTHER CHAPTERS.—  
10 This subchapter shall not apply with respect to any  
11 tax imposed (or any amount required to be deducted  
12 or withheld) under chapter 2, 2A, 3, or 4, except  
13 that any partnership adjustment determined under  
14 this subchapter for purposes of chapter 1 shall be  
15 taken into account for purposes of determining any  
16 such tax to the extent that such adjustment is rel-  
17 evant to such determination.”.

18 (c) CONFORMING AMENDMENTS.—

19 (1) Section 6211(c) is amended to read as fol-  
20 lows:

21 “(c) COORDINATION WITH SUBCHAPTER C.—In de-  
22 termining the amount of any deficiency for purposes of  
23 this subchapter, adjustments to partnership-related items  
24 shall be made only as provided in subchapter C.”.

1           (2) Section 6221(a) is amended to read as fol-  
2           lows:

3           “(a) IN GENERAL.—Any adjustment to a partner-  
4           ship-related item shall be determined, and any tax attrib-  
5           utable thereto shall be assessed and collected, and the ap-  
6           plicability of any penalty, addition to tax, or additional  
7           amount which relates to an adjustment to any such item  
8           shall be determined, at the partnership level, except to the  
9           extent otherwise provided in this subchapter.”.

10           (3) Section 6222(a) is amended to read as fol-  
11           lows:

12           “(a) IN GENERAL.—A partner shall, on the partner’s  
13           return, treat any partnership-related item in a manner  
14           which is consistent with the treatment of such item on  
15           the partnership return.”.

16           (4) Section 6226(a)(2) is amended by striking  
17           “any adjustment to income, gain, loss, deduction, or  
18           credit” and inserting “any adjustment to a partner-  
19           ship-related item”.

20           (5) Section 6227(a) is amended by striking  
21           “items of income, gain, loss, deduction, or credit of  
22           the partnership” and inserting “partnership-related  
23           items”.

24           (6) Section 6231(a)(1) is amended by striking  
25           “any item of income, gain, loss, deduction, or credit

1 of a partnership for a partnership taxable year” and  
2 inserting “any partnership-related item for any part-  
3 nership taxable year”.

4 (7) Section 6234(c) is amended by striking “all  
5 items of income, gain, loss, deduction, or credit of  
6 the partnership” and inserting “all partnership-re-  
7 lated items”.

8 **SEC. 202. DETERMINATION OF IMPUTED UNDERPAYMENTS.**

9 (a) IN GENERAL.—Section 6225(b) is amended to  
10 read as follows:

11 “(b) DETERMINATION OF IMPUTED UNDERPAY-  
12 MENTS.—For purposes of this subchapter—

13 “(1) IN GENERAL.—Except as otherwise pro-  
14 vided in this section, any imputed underpayment  
15 with respect to any reviewed year shall be deter-  
16 mined by the Secretary by—

17 “(A) appropriately netting all partnership  
18 adjustments with respect to such reviewed year,  
19 and

20 “(B) applying the highest rate of tax in ef-  
21 fect for the reviewed year under section 1 or  
22 11.

23 “(2) ADJUSTMENTS TO DISTRIBUTIVE SHARES  
24 OF PARTNERS NOT NETTED.—In the case of any ad-  
25 justment which reallocates the distributive share of

1 any item from one partner to another, such adjust-  
2 ment shall be taken into account by disregarding so  
3 much of such adjustment as results in a decrease in  
4 the amount of the imputed underpayment.

5 “(3) ADJUSTMENTS SEPARATELY NETTED BY  
6 CATEGORY.—For purposes of paragraph (1)(A),  
7 partnership adjustments for any reviewed year shall  
8 first be separately determined (and netted as appro-  
9 priate) within each category of items that are re-  
10 quired to be taken into account separately under  
11 section 702(a) or other provision of this title.

12 “(4) LIMITATION ON ADJUSTMENTS THAT MAY  
13 BE TAKEN INTO ACCOUNT.—If any adjustment  
14 would (but for this paragraph)—

15 “(A) result in a decrease in the amount of  
16 the imputed underpayment, and

17 “(B) could be subject to any additional  
18 limitation under the provisions of this title (or  
19 not allowed, in whole or in part, against ordi-  
20 nary income) if such adjustment were taken  
21 into account by any person,

22 such adjustment shall not be taken into account  
23 under paragraph (1)(A) except to the extent other-  
24 wise provided by the Secretary.”.

25 (b) CONFORMING AMENDMENTS.—

1           (1) Section 6225(a) is amended to read as fol-  
2           lows:

3           “(a) IN GENERAL.—In the case of any adjustments  
4 by the Secretary to any partnership-related items with re-  
5 spect to any reviewed year of a partnership—

6           “(1) if such adjustments result in an imputed  
7 underpayment, the partnership shall pay an amount  
8 equal to such imputed underpayment in the adjust-  
9 ment year as provided in section 6232, and

10           “(2) if such adjustments do not result in an im-  
11 puted underpayment, such adjustments shall be  
12 taken into account by the partnership in the adjust-  
13 ment year.”.

14           (2) Section 6225(e) is amended by adding at  
15 the end the following new paragraph:

16           “(9) MODIFICATION OF ADJUSTMENTS NOT RE-  
17 SULTING IN AN IMPUTED UNDERPAYMENT.—The  
18 Secretary shall establish procedures under which the  
19 adjustments described in subsection (a)(2) may be  
20 modified in such manner as the Secretary deter-  
21 mines appropriate.”.

1 **SEC. 203. ALTERNATIVE PROCEDURE TO FILING AMENDED**  
2 **RETURNS FOR PURPOSES OF MODIFYING IM-**  
3 **PUTED UNDERPAYMENT.**

4 (a) IN GENERAL.—Section 6225(c)(2) is amended to  
5 read as follows:

6 “(2) PROCEDURES FOR PARTNERS TO TAKE AD-  
7 JUSTMENTS INTO ACCOUNT.—

8 “(A) AMENDED RETURNS OF PARTNERS.—

9 Such procedures shall provide that if—

10 “(i) one or more partners file returns  
11 for the taxable year of the partners which  
12 includes the end of the reviewed year of  
13 the partnership (and for any taxable year  
14 with respect to which any tax attribute is  
15 affected by reason of any adjustment re-  
16 ferred to in clause (ii)),

17 “(ii) such returns take into account  
18 all adjustments under subsection (a) prop-  
19 erly allocable to such partners (and the ef-  
20 fect of such adjustments on any tax at-  
21 tributes), and

22 “(iii) payment of any tax due is in-  
23 cluded with such returns,

24 then the imputed underpayment amount shall  
25 be determined without regard to the portion of  
26 the adjustments so taken into account.

1           “(B) ALTERNATIVE PROCEDURE TO FIL-  
2           ING AMENDED RETURNS.—Such procedures  
3           shall provide that, with respect to any partner  
4           referred to in subparagraph (A), the require-  
5           ments of subparagraph (A) shall be treated as  
6           satisfied with respect to adjustments properly  
7           allocable to such partner if, in lieu of filing the  
8           returns described in such subparagraph—

9                   “(i) the amounts described in sub-  
10                   paragraph (A)(iii) are paid by the partner,

11                   “(ii) the adjustments to the tax at-  
12                   tributes of such partner referred to in sub-  
13                   paragraph (A)(ii) are binding with respect  
14                   to all subsequent taxable years of the part-  
15                   ner, and

16                   “(iii) such partner provides, in the  
17                   form and manner specified by the Sec-  
18                   retary (including, if the Secretary so speci-  
19                   fies, in the same form as on an amended  
20                   return), such information as the Secretary  
21                   may require to carry out this subpara-  
22                   graph.

23           “(C) REALLOCATION OF DISTRIBUTIVE  
24           SHARE.—In the case of any adjustment which  
25           reallocates the distributive share of any item

1 from one partner to another, this paragraph  
2 shall apply with respect to any such partner  
3 only if the requirements of subparagraph (A) or  
4 (B) are satisfied with respect to all partners af-  
5 fected by such adjustment.

6 “(D) APPLICATION OF STATUTE OF LIM-  
7 TATIONS.—Sections 6501 and 6511 shall not  
8 apply with respect to any return filed for pur-  
9 poses of subparagraph (A)(i) or any amount  
10 paid under subparagraph (A)(iii) or (B)(i), but  
11 only with respect to adjustments referred to in  
12 subparagraph (A)(ii).

13 “(E) APPLICATION TO TIERED PARTNER-  
14 SHIPS.—In the case of any partnership any  
15 partner of which is a partnership, except as  
16 otherwise provided by the Secretary, subpara-  
17 graph (B) shall apply with respect to any part-  
18 ner in the chain of ownership of such partner-  
19 ships. For purposes of applying the preceding  
20 sentence, an S corporation and its shareholders  
21 shall be treated in the same manner as a part-  
22 nership and its partners.”.

23 (b) CONFORMING AMENDMENT.—Section 6201(a)(1)  
24 is amended by inserting “(or payments under section  
25 6225(c)(2)(B)(i))” after “returns or lists”.



1 **SEC. 204. TREATMENT OF PASSTHROUGH PARTNERS IN**  
2 **TIERED STRUCTURES.**

3 (a) IN GENERAL.—Section 6226(b) is amended by  
4 adding at the end the following new paragraph:

5 “(4) TREATMENT OF PARTNERSHIPS IN TIERED  
6 STRUCTURES.—

7 “(A) IN GENERAL.—If a partner which re-  
8 ceives a statement under subsection (a)(2) is a  
9 partnership or an S corporation, such partner  
10 shall, with respect to the partner’s share of the  
11 adjustment—

12 “(i) file with the Secretary a partner-  
13 ship adjustment tracking report which in-  
14 cludes such information as the Secretary  
15 may require, and

16 “(ii) either—

17 “(I) pay the imputed under-  
18 payment under rules similar to the  
19 rules of section 6225 (other than  
20 paragraphs (2)(A), (6), (7), and (9) of  
21 subsection (c) thereof), or

22 “(II) furnish statements under  
23 rules similar to the rules of subsection  
24 (a)(2).

25 “(B) DUE DATE.—For purposes of sub-  
26 paragraph (A), with respect to a partner’s

1 share of the adjustment, the partnership adjust-  
2 ment tracking report shall be filed, and the im-  
3 puted underpayment shall be paid or state-  
4 ments shall be furnished, not later than the due  
5 date for the return for the taxable year of the  
6 audited partnership which includes the date the  
7 final determination was made with respect to  
8 such partnership.

9 “(C) PARTNERSHIP PAYMENT OF TAX NOT  
10 PERMITTED IF ELECTED OUT OF SUB-  
11 CHAPTER.—In the case of a partnership which  
12 has elected the application of section 6221(b)  
13 with respect to the taxable year of the partner-  
14 ship which includes the end of the reviewed year  
15 of the audited partnership, this paragraph shall  
16 apply notwithstanding such election, except that  
17 subparagraph (A) shall be applied without re-  
18 gard to clause (ii)(I) thereof.

19 “(D) AUDITED PARTNERSHIP.—For pur-  
20 poses of this paragraph, the term ‘audited part-  
21 nership’ means, with respect to any partner de-  
22 scribed in subparagraph (A), the partnership in  
23 the chain of ownership originally electing the  
24 application of this section.”.

25 (b) CONFORMING AMENDMENTS.—

1           (1) Section 6226(b)(1) is amended by striking  
2           “Each partner’s” and inserting “Except as provided  
3           in paragraph (4), each partner’s”.

4           (2) Section 6226(c)(2) is amended by inserting  
5           “or which is described in subsection  
6           (b)(4)(A)(ii)(I),” after “is elected,”.

7   **SEC. 205. TREATMENT OF FAILURE OF PARTNERSHIP TO**  
8                           **PAY IMPUTED UNDERPAYMENT.**

9           Section 6232 is amended by adding at the end the  
10 following new subsection:

11           “(f) FAILURE TO PAY IMPUTED UNDERPAYMENT.—

12                   “(1) IN GENERAL.—If any amount of any im-  
13 puted underpayment to which section 6225 applies  
14 or which is described in section 6226(b)(4)(A)(ii)(I)  
15 (or any interest or penalties with respect to any such  
16 amount) has not been paid by the date which is 10  
17 days after the date on which the Secretary provides  
18 notice and demand for such payment—

19                           “(A) section 6621(a)(2)(B) shall be ap-  
20 plied by substituting ‘5 percentage points’ for ‘3  
21 percentage points’ with respect to such amount,  
22 and

23                           “(B) the Secretary may assess upon each  
24 partner of the partnership (determined as of  
25 the close of the adjustment year) a tax equal to

1           such partner’s proportionate share of such  
2           amount (including any such interest or pen-  
3           alties, determined after application of subpara-  
4           graph (A)).

5           “(2) PROPORTIONATE SHARE.—For purposes of  
6           paragraph (1), a partner’s proportionate share is  
7           such percentage as the Secretary may determine on  
8           the basis of such partner’s distributive share of  
9           items under section 702. The Secretary shall make  
10          determinations under the preceding sentence such  
11          that the aggregate proportionate shares so deter-  
12          mined total 100 percent.

13          “(3) COORDINATION WITH PARTNERSHIP LI-  
14          ABILITY.—The liability of the partnership for any  
15          amount with respect to which a partner is made lia-  
16          ble under paragraph (1) shall be reduced upon pay-  
17          ment by the partner of such amount. Paragraph  
18          (1)(B) shall not apply with respect to any amount  
19          after the date on which such amount is paid by the  
20          partnership.

21          “(4) S CORPORATIONS.—For purposes of this  
22          subsection, an S corporation and its shareholders  
23          shall be treated in the same manner as a partner-  
24          ship and its partners.

1           “(5) RULES RELATED TO ASSESSMENT AND  
2           COLLECTION.—

3           “(A) DEFICIENCY PROCEDURES NOT AP-  
4           PLICABLE.—Subchapter B shall not apply to  
5           any assessment or collection under this para-  
6           graph.

7           “(B) LIMITATION ON ASSESSMENT.—Ex-  
8           cept as otherwise provided in this chapter, no  
9           assessment may be made with respect to any  
10          partner with respect to an amount under para-  
11          graph (1) (and no levy or proceeding in any  
12          court for the collection of such amount may  
13          begin) after the date which is 2 years after the  
14          date on which the Secretary provides notice and  
15          demand to the partnership with respect to such  
16          amount.”.

17 **SEC. 206. OTHER TECHNICAL CORRECTIONS RELATED TO**  
18 **PARTNERSHIP AUDIT RULES.**

19          (a) LIMITATION ON AMENDMENT OF STATEMENTS  
20 FURNISHED TO PARTNERS NOT APPLICABLE TO PART-  
21 NERSHIPS ELECTING OUT OF PARTNERSHIP AUDIT  
22 RULES.—Section 6031(b) is amended by striking the last  
23 sentence and inserting the following: “Information re-  
24 quired to be furnished by the partnership under this sub-  
25 section may not be amended after the due date of the re-

1 turn under subsection (a) to which such information re-  
 2 lates, except—

3 “(1) in the case of a partnership which has  
 4 elected the application of section 6221(b) for the  
 5 taxable year,

6 “(2) as provided in the procedures under sec-  
 7 tion 6225(c),

8 “(3) with respect to statements under section  
 9 6226, or

10 “(4) as otherwise provided by the Secretary.”.

11 (b) ADMINISTRATIVE ADJUSTMENT REQUEST AND  
 12 PARTNERSHIP ADJUSTMENT TRACKING REPORT NOT  
 13 TREATED AS AMENDED RETURN FOR PURPOSES OF  
 14 MODIFICATION OF IMPUTED UNDERPAYMENTS.—Section  
 15 6225(c)(2), as amended by the preceding provisions of this  
 16 Act, is amended by adding at the end the following new  
 17 subparagraph:

18 “(F) ADJUSTMENTS NOT TREATED AS  
 19 AMENDED RETURN.—An administrative adjust-  
 20 ment request under section 6227 and a partner-  
 21 ship adjustment tracking report under section  
 22 6226(b)(4)(A) shall not be treated as a return  
 23 for purposes of this paragraph.”.

24 (c) CLARIFICATION OF FINAL DETERMINATION  
 25 WITH RESPECT TO PARTNERSHIP ADJUSTMENT.—

1           (1) IN GENERAL.—Section 6226(a)(2) is  
2 amended by striking “in the notice of final partner-  
3 ship adjustment” and inserting “by reference to the  
4 final determination with respect to such adjust-  
5 ment”.

6           (2) FINAL DETERMINATION.—Section 6225(d)  
7 is amended by adding at the end the following new  
8 paragraph:

9           “(3) FINAL DETERMINATION.—The final deter-  
10 mination is made with respect to an adjustment on  
11 the date on which—

12                   “(A) in the case of an adjustment pursu-  
13 ant to the decision of a court in a proceeding  
14 brought under section 6234, such decision be-  
15 comes final,

16                   “(B) in the case of an administrative ad-  
17 justment request under section 6227, such ad-  
18 ministrative adjustment request is filed, or

19                   “(C) in any other case, 90 days after the  
20 date on which the notice of the final partner-  
21 ship adjustment is mailed under section 6231.”.

22           (3) CONFORMING AMENDMENTS.—

23                   (A) Section 6225(d)(2) is amended by  
24 striking “in which—” and all that follows and

1 inserting “in which the final determination is  
2 made with respect to the adjustment.”.

3 (B) Section 6227(b) is amended by strik-  
4 ing “is made” both places it appears and in-  
5 serting “is filed”.

6 (d) CLARIFICATION OF ASSESSMENT AUTHORITY.—  
7 Section 6226(a) is amended by inserting “(and no assess-  
8 ment of tax, levy, or proceeding in any court for the collec-  
9 tion of such underpayment shall be made against such  
10 partnership)” after “section 6225 shall not apply with re-  
11 spect to such underpayment”.

12 (e) TREATMENT OF PARTNERSHIP ADJUSTMENTS  
13 THAT RESULT IN DECREASE IN TAX IN CASE OF ELEC-  
14 TION TO PUSH OUT ADJUSTMENTS.—Section 6226(b) is  
15 amended—

16 (1) by striking “increased” in paragraph (1)  
17 and inserting “adjusted”,

18 (2) by striking “adjustment amounts” each  
19 place it appears in paragraphs (1) and (2) and in-  
20 serting “correction amounts”,

21 (3) by striking “increase” each place it appears  
22 in subparagraphs (A) and (B) of paragraph (2) and  
23 inserting “increase or decrease”,

24 (4) by striking “plus” at the end of paragraph  
25 (2)(A) and inserting “and”, and



1           (5) by striking “ADJUSTMENT AMOUNTS” in  
2           the heading of paragraph (2) and inserting “COR-  
3           RECTION AMOUNTS”.

4           (f) TIME LIMITATION FOR NOTICE OF PROPOSED  
5           ADJUSTMENT.—

6           (1) IN GENERAL.—Section 6231 is amended by  
7           redesignating subsections (b) and (c) as subsections  
8           (c) and (d), respectively, and by inserting after sub-  
9           section (a) the following new subsection:

10          “(b) TIMING OF NOTICES.—

11                 “(1) NOTICE OF PROPOSED PARTNERSHIP AD-  
12                 JUSTMENT.—Any notice of a proposed partnership  
13                 adjustment shall not be mailed later than the date  
14                 determined under section 6235 (determined without  
15                 regard to paragraphs (2) and (3) of subsection (a)  
16                 thereof).

17                 “(2) NOTICE OF FINAL PARTNERSHIP ADJUST-  
18                 MENT.—

19                         “(A) IN GENERAL.—Except to the extent  
20                         that the partnership elects to waive the applica-  
21                         tion of this subparagraph, any notice of a final  
22                         partnership adjustment shall not be mailed ear-  
23                         lier than 270 days after the date on which the  
24                         notice of the proposed partnership adjustment  
25                         is mailed.

1           “(B) STATUTE OF LIMITATIONS ON AD-  
2 JUSTMENT.—For the period of limitations on  
3 making adjustments, see section 6235.”.

4           (2) CONFORMING AMENDMENT.—Section  
5 6231(a) is amended by striking “Any notice of a  
6 final partnership adjustment” and all that follows  
7 through “Such notices” and inserting “Any notice of  
8 a final partnership adjustment”.

9           (g) DEPOSIT TO SUSPEND INTEREST ON IMPUTED  
10 UNDERPAYMENT.—Section 6233 is amended by adding at  
11 the end the following new subsection:

12           “(c) DEPOSIT TO SUSPEND INTEREST.—For rules  
13 allowing deposits to suspend running of interest on poten-  
14 tial underpayments, see section 6603.”.

15           (h) TREATMENT OF SPECIAL ENFORCEMENT MAT-  
16 TERS.—Section 6241, as amended by the preceding provi-  
17 sions of this Act, is amended by adding at the end the  
18 following new paragraph:

19           “(10) TREATMENT OF SPECIAL ENFORCEMENT  
20 MATTERS.—

21           “(A) IN GENERAL.—In the case of part-  
22 nership-related items which involve special en-  
23 forcement matters, the Secretary may prescribe  
24 regulations pursuant to which—

1           “(i) this subchapter (or any portion  
2 thereof) does not apply to such items, and

3           “(ii) such items are subject to such  
4 special rules (including rules related to as-  
5 sessment and collection) as the Secretary  
6 determines to be necessary for the effective  
7 and efficient enforcement of this title.

8           “(B) SPECIAL ENFORCEMENT MATTERS.—  
9 For purposes of subparagraph (A), the term  
10 ‘special enforcement matters’ means—

11           “(i) failure to comply with the re-  
12 quirements of section 6226(b)(4)(A)(ii),

13           “(ii) assessments under section 6851  
14 (relating to termination assessments of in-  
15 come tax) or section 6861 (relating to  
16 jeopardy assessments of income, estate,  
17 gift, and certain excise taxes),

18           “(iii) criminal investigations,

19           “(iv) indirect methods of proof of in-  
20 come,

21           “(v) foreign partnerships, and

22           “(vi) other matters that the Secretary  
23 determines by regulation present special  
24 enforcement considerations.”.

1 (i) PENALTIES RELATED TO ADMINISTRATIVE AD-  
2 JUSTMENT REQUESTS AND PARTNERSHIP ADJUSTMENT  
3 TRACKING REPORTS.—

4 (1) FAILURE TO PAY.—Section 6651 is amend-  
5 ed by redesignating subsection (i) as subsection (j)  
6 and by inserting after subsection (h) the following  
7 new subsection:

8 “(i) APPLICATION TO IMPUTED UNDERPAYMENT.—  
9 For purposes of this section, any failure to comply with  
10 section 6226(b)(4)(A)(ii) shall be treated as a failure to  
11 pay the amount described in subclause (I) thereof and  
12 such amount shall be treated for purposes of this section  
13 as an amount shown as tax on a return specified in sub-  
14 section (a)(1).”.

15 (2) FAILURE TO FILE PARTNERSHIP ADJUST-  
16 MENT TRACKING REPORT.—Section 6698(a) is  
17 amended—

18 (A) in the matter preceding paragraph (1)  
19 by inserting “, or a partnership adjustment  
20 tracking report under section 6226(b)(4)(A),”  
21 after “under section 6031”,

22 (B) in paragraph (1) by inserting “, or  
23 such report,” after “such return”, and

24 (C) in paragraph (2)—

1 (i) by inserting “or a report” after “a  
2 return”, and

3 (ii) by inserting “or 6226(b)(4)(A),  
4 respectively” before the comma at the end.

5 (3) TAX RETURN PREPARER RELATED PEN-  
6 ALTIES.—Section 6696(e)(1) is amended by insert-  
7 ing “, any administrative adjustment request under  
8 section 6227, and any partnership adjustment track-  
9 ing report under section 6226(b)(4)(A)” before the  
10 period at the end.

11 (4) FRIVOLOUS TAX SUBMISSIONS.—Section  
12 6702 is amended by adding at the end the following  
13 new subsection:

14 “(f) PARTNERSHIP ADJUSTMENTS.—An administra-  
15 tive adjustment request under section 6227 and a partner-  
16 ship adjustment tracking report under section  
17 6226(b)(4)(A) shall be treated as a return for purposes  
18 of this section.”.

19 (j) ADJUSTED SCHEDULE K-1 TREATED AS PAYEE  
20 STATEMENT.—Section 6724(d)(2) is amended by striking  
21 “or” at the end of subparagraph (HH), by striking the  
22 period at the end of subparagraph (II) and inserting “,  
23 or”, and by inserting after subparagraph (II) the following  
24 new subparagraph:

1           “(JJ) section 6226(a)(2) (relating to state-  
2           ments relating to alternative to payment of im-  
3           puted underpayment by partnership) or under  
4           any other provision of this title which provides  
5           for the application of rules similar to such sec-  
6           tion.”.

7           (k) CLERICAL CORRECTIONS.—

8           (1) Section 6232(d)(1)(A) is amended by strik-  
9           ing “a item” and inserting “an item”.

10          (2) Section 6232(e) is amended by striking  
11          “thereof”.

12          (3) Section 6235(a) is amended by striking  
13          “subpart” and inserting “subchapter”.

14          (4) Section 6235(a)(3) is amended by striking  
15          “section 6225(c)(7)” and inserting “section  
16          6225(c)(7)”.

17          (5) Section 6241(5) is amended by striking  
18          “sections 6234” and inserting “section 6234”.

19          (6) The heading of the first part of subchapter  
20          C of chapter 63 is amended to read as follows:

21                       **“PART I—IN GENERAL”.**

22          (7) The heading of the second part of sub-  
23          chapter C of chapter 63 is amended to read as fol-  
24          lows:

1       **“PART II—PARTNERSHIP ADJUSTMENTS”.**

2               (8) The heading of the third part of subchapter  
3       C of chapter 63 is amended to read as follows:

4                       **“PART III—PROCEDURE”.**

5               (9) The heading of the fourth part of sub-  
6       chapter C of chapter 63 is amended to read as fol-  
7       lows:

8       **“PART IV—DEFINITIONS AND SPECIAL RULES”.**

9       **SEC. 207. EFFECTIVE DATE.**

10       The amendments made by this title shall take effect  
11       as if included in section 1101 of the Bipartisan Budget  
12       Act of 2015.

13       **TITLE III—OTHER CORRECTIONS**

14       **SEC. 301. AMENDMENTS RELATING TO THE BIPARTISAN**  
15                       **BUDGET ACT OF 2015.**

16       (a) AMENDMENTS RELATING TO SECTION 1101.—

17               (1) Section 6011(e) is amended by adding at  
18       the end the following new paragraph:

19                       “(5) SPECIAL RULES FOR PARTNERSHIPS.—

20                               “(A) PARTNERSHIPS PERMITTED TO BE  
21       REQUIRED TO FILE ON MAGNETIC MEDIA.—In  
22       the case of a partnership, paragraph (2)(A)  
23       shall be applied by substituting for ‘250’ the  
24       following amount:

1 “(i) In the case of returns and state-  
2 ments relating to calendar year 2018,  
3 ‘200’.

4 “(ii) In the case of returns and state-  
5 ments relating to calendar year 2019,  
6 ‘150’.

7 “(iii) In the case of returns and state-  
8 ments relating to calendar year 2020,  
9 ‘100’.

10 “(iv) In the case of returns and state-  
11 ments relating to calendar year 2021, ‘50’.

12 “(v) In the case of returns and state-  
13 ments relating to calendar years after  
14 2021, ‘20’.

15 “(B) PARTNERSHIPS REQUIRED TO FILE  
16 ON MAGNETIC MEDIA.—Notwithstanding sub-  
17 paragraph (A) and paragraph (2)(A), the Sec-  
18 retary shall require partnerships having more  
19 than 100 partners to file returns on magnetic  
20 media.”.

21 (2) Section 6011(e)(2) is amended by striking  
22 the last sentence.

23 (b) EFFECTIVE DATE.—The amendments made by  
24 this section shall take effect as if included in section 1101  
25 of the Bipartisan Budget Act of 2015.



1 **SEC. 302. AMENDMENTS RELATING TO THE ENERGY POL-**  
 2 **ICY ACT OF 2005.**

3 (a) AMENDMENTS RELATING TO SECTION 1253.—

4 (1) Subclause (II) of section 168(e)(3)(B)(vi) is  
 5 amended by striking “is a qualifying small power  
 6 production facility” and all that follows and insert-  
 7 ing “has a power production capacity of not greater  
 8 than 80 megawatts, or”.

9 (2) The last sentence of section 168(e)(3)(B) is  
 10 amended by striking “clause (vi)(I)” and all that fol-  
 11 lows and inserting “subclause (I) or (II) of clause  
 12 (vi) by reason of being public utility property.”.

13 (b) EFFECTIVE DATE.—The amendments made by  
 14 this section shall apply to property placed in service after  
 15 the date of the enactment of this Act.

16 **TITLE IV—CLERICAL**  
 17 **CORRECTIONS AND DEADWOOD**

18 **SEC. 401. CLERICAL CORRECTIONS AND DEADWOOD-RE-**  
 19 **LATED PROVISIONS.**

20 (a) CLERICAL CORRECTIONS.—

21 (1) The table of subchapters for chapter 1 is  
 22 amended by moving the item relating to subchapter  
 23 R before the item relating to subchapter S.

24 (2)(A) Sections 22(c)(3)(A)(i)(III),  
 25 104(b)(2)(D), 140(a)(3), and 149(b)(3)(A)(i) are  
 26 each amended by striking “Veterans’ Administra-

1 tion” and inserting “Department of Veterans Af-  
2 fairs”.

3 (B) The heading of section 4980H(e)(2)(F) is  
4 amended by striking “VETERANS ADMINISTRATION”  
5 and inserting “DEPARTMENT OF VETERANS AF-  
6 FAIRS”.

7 (C) Section 6050H(h)(3)(B)(i) is amended by  
8 striking “Veterans Administration” and inserting  
9 “Department of Veterans Affairs”.

10 (3) Section 24(d) is amended by redesignating  
11 paragraph (5) as paragraph (3).

12 (4) Section 25C(b)(2) is amended by striking  
13 “subsection (c)(2)(B)” and inserting “subsection  
14 (c)(3)(B)”.

15 (5) Section 25C(d)(3) is amended—

16 (A) by striking the period at the end of  
17 subparagraph (B) and inserting a comma, and

18 (B) by striking the period at the end of  
19 subparagraph (D) and inserting “, and”.

20 (6) Section 25C(g)(2) is amended by striking  
21 “2016..” and inserting “2016.”.

22 (7) The table of sections for subpart D of part  
23 IV of subchapter A of chapter 1 is amended—

1 (A) by striking the item relating to section  
2 41 which relates to the employee stock owner-  
3 ship credit, and

4 (B) by moving the item relating to section  
5 45K after the item relating to section 45J.

6 (8) Section 38(b)(34) is amended by adding a  
7 comma at the end.

8 (9) The heading of section 40(g)(2) is amended  
9 by striking “AGGREGATION” and inserting “AG-  
10 GREGATION”.

11 (10) The heading of section 42(e)(2)(B) is  
12 amended by striking “ETC,” and inserting “ETC.,”.

13 (11)(A) Section 42(d)(4)(C)(i) is amended by  
14 striking “as defined in paragraph (5)(C)” and in-  
15 serting “as defined in paragraph (5)(B)(ii)”.

16 (B) Section 42(f)(5)(B)(ii)(I) is amended by  
17 striking “(d)(6)(C)” and inserting “(d)(6)(B)”.

18 (C) Section 42(k)(2)(B) is amended—

19 (i) by striking “(d)(6)(B)” and inserting  
20 “(d)(6)(C)”, and

21 (ii) by striking “building.” in clause (ii)  
22 and inserting “building.”.

23 (D) Section 42(m)(1)(B)(ii)(III) is amended by  
24 striking “as defined in subsection (d)(5)(C)” and in-  
25 serting “as defined in subsection (d)(5)(B)(ii)”.

1           (12) Section 42(h)(5)(C)(ii) is amended by  
2 striking “; and” and inserting “, and”.

3           (13) Section 42(i)(3)(D)(ii)(I) is amended by  
4 striking the period at the end.

5           (14) Section 45(c)(6) is amended by striking  
6 “section 2(27)” and inserting “section 1004(27)”.

7           (15) Section 45(c)(7)(A)(i)(II) is amended by  
8 striking “for purpose” and inserting “for the pur-  
9 pose”.

10          (16) Section 45(c)(7)(A)(i)(III) is amended by  
11 striking the period at the end and inserting “, or”.

12          (17) Section 45C(b)(2)(A)(ii)(II) is amended by  
13 striking “; and” and inserting “, and”.

14          (18) Section 45D(f)(1)(F) is amended by add-  
15 ing “, and” at the end.

16          (19) Section 45H(d) is amended by striking  
17 “purposes this” and inserting “purposes of this”.

18          (20) Section 48(a)(1) is amended by striking  
19 “(3)(B), and (4)(B)” and inserting “and (3)(B)”.

20          (21) Section 48(a)(6)(B) is amended by strik-  
21 ing “property energy property” and inserting “en-  
22 ergy property”.

23          (22) Section 48(c)(2)(B) is amended by striking  
24 “equal \$200” and inserting “equal to \$200”.

25          (23) Section 48(d)(3) is amended—

1 (A) by striking “shall” in the matter that  
2 precedes subparagraph (A), and

3 (B) by inserting “shall” before “not” in  
4 subparagraph (A).

5 (24) Section 49(a)(1)(D)(iii) is amended by  
6 striking “share-holder” in the last sentence and in-  
7 serting “shareholder”.

8 (25) Section 50(b)(2)(A) is amended by strik-  
9 ing the period at the end and inserting a semicolon.

10 (26) Section 51(c)(4) is amended by adding a  
11 period at the end.

12 (27) Section 51(d)(3)(A)(ii)(II) is amended by  
13 adding a comma at the end.

14 (28) Section 51(d)(8) is amended by striking  
15 “FOOD STAMP RECIPIENT” in the heading thereof  
16 and inserting “SUPPLEMENTAL NUTRITION ASSIST-  
17 ANCE PROGRAM BENEFITS RECIPIENT”.

18 (29) Section 51(i)(1)(A) is amended by striking  
19 “entity,” and inserting “entity”.

20 (30) The item relating to section 54C in the  
21 table of sections for subpart I of part IV of sub-  
22 chapter A of chapter 1 is amended to read as fol-  
23 lows:

“Sec. 54C. New clean renewable energy bonds.”.

24 (31) Section 58(a)(2)(A) is amended by striking  
25 “461(j)” and inserting “461(k)”.

1           (32) Section 62(a)(20) is amended by inserting  
2 a comma after “United States Code”.

3           (33) Section 62(e)(1) is amended by striking  
4 “(2 U.S.C. 1202)” and inserting “(42 U.S.C.  
5 2000e–16b)”.

6           (34) Section 68(b)(2) is amended by striking  
7 “shall be shall be” and inserting “shall be”.

8           (35) The heading of section 82 is amended by  
9 striking “**FOR EXPENSES OF MOVING**” and insert-  
10 ing “**OF MOVING EXPENSES**”.

11           (36) The heading of section 84 is amended by  
12 striking “**POLITICAL ORGANIZATION**” and insert-  
13 ing “**POLITICAL ORGANIZATIONS**”.

14           (37) Section 105(h)(7)(B) is amended by strik-  
15 ing “subparagraph (A)” and inserting “subpara-  
16 graph (A))”.

17           (38) Section 125(e)(2) is amended by striking  
18 “subparagraphs” and inserting “subparagraph”.

19           (39) Section 132(c)(4) is amended by striking  
20 “peforming” and inserting “performing”.

21           (40) Section 134(b)(6) is amended by striking  
22 “an combat” and inserting “a combat”.

23           (41) Section 139(c)(2) is amended by striking  
24 “federally” and inserting “a federally”.

1           (42) Section 139E(c)(1) is amended by striking  
2           “(43 U.S.C. 1601, et seq.)” and inserting “(43  
3           U.S.C. 1601 et seq.)”.

4           (43) Section 139E(c)(3) is amended by striking  
5           “2013” and inserting “2014”.

6           (44) The item relating to section 143 in the  
7           table of sections for subpart A of part IV of sub-  
8           chapter B of chapter 1 is amended to read as fol-  
9           lows:

          “Sec. 143. Mortgage revenue bonds; qualified mortgage bond and qualified vet-  
          erans’ mortgage bond.”.

10           (45) Section 141(e)(2) is amended by striking  
11           “, and” and inserting a period.

12           (46) Section 142(d)(2)(C) is amended by insert-  
13           ing “section” before “42(i)(3)(D)”.

14           (47) Section 148(f)(4)(C)(xiv) is amended by  
15           striking “subparagraph” and inserting “subpara-  
16           graph”.

17           (48) Section 163(e)(5)(C)(ii) is amended by in-  
18           serting “in” before “subsection (i)(1)(B)”.

19           (49) Section 168(d)(3)(B)(i) is amended by in-  
20           serting a comma after “real property”.

21           (50) Section 168(e)(3)(C)(i) is amended by  
22           striking “and”.

23           (51) Section 169(d)(5)(B) is amended by in-  
24           serting “a” before “facility”.





1           (61) Section 263(a)(1) is amended by redesignig-  
2 nating subparagraphs (I) through (L) as subpara-  
3 graphs (H) through (K), respectively.

4           (62) Section 280C(a) is amended by striking  
5 “and 1396(a),” and inserting “1396(a),”.

6           (63) Section 280F(d)(4)(A)(iv) is amended by  
7 striking “‘and’” at the end and inserting “and”.

8           (64) The heading of section 331 is amended by  
9 striking “**SHAREHOLDERS**” and inserting  
10 “**SHAREHOLDER**”.

11           (65) Section 338(h)(3)(A)(iii) is amended by  
12 striking “paragaraph” and inserting “paragraph”.

13           (66) The second sentence of section  
14 355(h)(2)(B) is amended by striking “of assets”.

15           (67) The heading of subpart C of part III of  
16 subchapter C of chapter 1 is amended by striking  
17 “**Corporation**” and inserting “**Corporations**”.

18           (68) Section 362(a) is amended by striking the  
19 comma after “acquired”.

20           (69) Section 368(a)(2)(F)(vii) is amended by  
21 striking “(15 U.S.C. 80a-2(36))” and inserting “(15  
22 U.S.C. 80a-2(a)(36))”.

23           (70) Section 401(a)(2) is amended by striking  
24 “determination).;” and inserting “determination));”.

1           (71) Section 401(a)(15) is amended by striking  
2           “a trust” and inserting “A trust”.

3           (72) Section 401(a)(32)(A) is amended by  
4           striking “section section” both places it appears and  
5           inserting “section”.

6           (73) Section 401(c)(2)(A)(iii) is amended by  
7           striking “sections 3121(d)(3)(A), (C), or (D), with-  
8           out regard to paragraph (2) of section 1402(c)” and  
9           inserting “subparagraph (A), (C), or (D) of section  
10          3121(d)(3), without regard to section 1402(c)(2)”.

11          (74) Section 402(i) is amended by striking  
12          “subparagraph (A) of subsection (d)(4)” and insert-  
13          ing “subsection (e)(4)(D)(i)”.

14          (75) Section 404A(c)(4)(B) is amended by  
15          striking “and” at the end.

16          (76) Section 408(a)(1) is amended by inserting  
17          “or” after “subsection (d)(3)”.

18          (77) Section 408(m)(3)(B) is amended by strik-  
19          ing “section 7” and inserting “section 5”.

20          (78) Section 408A(d)(3)(B) is amended by add-  
21          ing a period at the end.

22          (79) Section 408A(e)(2)(B) is amended by  
23          striking “the subparagraph (A)” and inserting “sub-  
24          paragraph (A)”.

1           (80) Section 409(n)(1)(A)(i) is amended by  
2 striking “securities,,,” and inserting “securities,”.

3           (81) Section 409A(b)(3)(B)(i) is amended by  
4 striking the semicolon at the end and inserting a  
5 comma.

6           (82) The item relating to section 413 in the  
7 table of sections for subpart B of part I of sub-  
8 chapter D of chapter 1 is amended to read as fol-  
9 lows:

“Sec. 413. Collectively bargained plans, etc.”.

10           (83) Section 411(a)(4)(A) is amended by strik-  
11 ing the comma at the end and inserting a semicolon.

12           (84) Section 411(b)(5)(B)(iv) is amended by  
13 striking “similar amount” and inserting “similar ac-  
14 count”.

15           (85) Section 412(c)(1)(A) is amended by add-  
16 ing a period at the end.

17           (86) Section 412(c)(4)(B) is amended by insert-  
18 ing “section” before “433(d)”.

19           (87) Section 412(c)(7)(B)(iii) is amended by  
20 striking the comma after “subchapter D”.

21           (88) Section 414(l)(2)(G) is amended by strik-  
22 ing “BANKS” in the heading thereof and inserting  
23 “DEPOSITORY INSTITUTIONS”.

24           (89) Section 414(u)(6) is amended by striking  
25 “section 403(b)” and inserting “section 403(b))”.

1           (90) Section 414(x)(1) is amended by striking  
2           “are” and inserting “is”.

3           (91) Section 414(y)(1)(C)(i) is amended by  
4           striking “of such Code”.

5           (92) Section 414(y)(2) is amended by striking  
6           “subparagraph” and inserting “subparagraphs”.

7           (93) Section 418E is amended by striking “sub-  
8           section 432(b)(2)” each place it appears and insert-  
9           ing “section 432(b)(2)”.

10          (94) Section 418E(d)(1), as amended by the  
11          preceding paragraph, is amended—

12                 (A) by striking “section 432(b)(2),,” and  
13                 inserting “section 432(b)(2),” and

14                 (B) by striking “section 432(b)(2),)” and  
15                 inserting “section 432(b)(2))”.

16          (95) Section 418E(e)(1)(A) is amended to read  
17          as follows:

18                 “(A) notify the Secretary and the parties  
19                 described in section 101(f)(1) of the Employee  
20                 Retirement Income Security Act of 1974 of that  
21                 determination, and”.

22          (96) Section 419A(c)(6)(B) is amended by  
23          striking “(42 U.S.C. 300gg-91(d)(3))” and inserting  
24          “(42 U.S.C. 300gg-91(d)(3))”.

1           (97) Section 420(c)(1)(A) is amended by strik-  
2           ing “subsection (e)(1)(D)” and inserting “subsection  
3           (e)(1)(E)”.

4           (98) Section 424(g) is amended by striking  
5           “section 422(a)(2)” and inserting “sections  
6           422(a)(2)”.

7           (99) Section 430(c)(7)(E)(v)(II) is amended by  
8           inserting “the” after “title I of”.

9           (100) Section 430(h)(2)(F) is amended by  
10          striking “section 417(e)(3)(D)(i)” and inserting  
11          “section 417(e)(3)(D)”.

12          (101) Section 431(d)(2)(B)(i) is amended by  
13          striking “this Act” and inserting “the Pension Pro-  
14          tection Act of 2006”.

15          (102) Section 432(b)(3)(A)(i) is amended by  
16          striking “paragraph (5),,” and inserting “paragraph  
17          (5),”.

18          (103) Section 432(b)(3)(B) is amended by re-  
19          designating the clause (iv) relating to projections of  
20          critical and declining status as clause (v).

21          (104) Section 432(b)(3)(D)(iv) is amended by  
22          inserting a comma after “Labor”.

23          (105) Section 432(e)(8)(C)(iii) is amended by  
24          striking “the Secretary shall” and inserting “The  
25          Secretary shall”.

1           (106) Section 432(g)(1) is amended by striking  
2           “subsection (e)(9))” and inserting “subsection  
3           (e)(9)”.

4           (107) Section 433(c)(5)(C)(ii)(II) is amended  
5           by inserting “of such Act” after “title IV”.

6           (108) The item relating to section 436 in the  
7           table of sections for subpart B of part III of sub-  
8           chapter D of chapter 1 is amended to read as fol-  
9           lows:

          “Sec. 436. Funding-based limits on benefits and benefit accruals under single-  
          employer plans.”.

10           (109) Section 447(h)(2)(A) is amended by  
11           striking “employees” and inserting “employees”.

12           (110) Section 447(i)(5)(B) is amended by re-  
13           designating clause (iv) as clause (iii).

14           (111) The heading of section 453B is amended  
15           by striking “**LOSS DISPOSITION**” and inserting  
16           “**LOSS ON DISPOSITION**”.

17           (112) Section 457(f)(4)(C)(i) is amended—

18                   (A) by striking “section 9101” and insert-  
19                   ing “section 8101”, and

20                   (B) by striking “7801),” and inserting  
21                   “7801)),”.

22           (113) Section 457A(d)(4) is amended—

23                   (A) by striking “case a foreign” and in-  
24                   serting “case of a foreign”, and

1 (B) by striking “had been” and inserting  
2 “been”.

3 (114) Section 458(b)(9) is amended by striking  
4 “REPURCHASED” in the heading thereof and insert-  
5 ing “REPURCHASE”.

6 (115) Section 458(c)(1) is amended by striking  
7 “regulations prescribed” and inserting “regulations  
8 prescribe”.

9 (116) Section 460(b)(2)(A) is amended by in-  
10 sserting a comma after “first”.

11 (117)(A) Section 461 is amended by redesign-  
12 nating the second subsection (j) (relating to farming  
13 syndicate defined) as subsection (k).

14 (B) Section 461(i)(4) is amended by striking  
15 “subsection (j)” and inserting “subsection (k)”.

16 (118) The heading of section 464 is amended  
17 by inserting “**EXPENSES**” after “**FARMING**”.

18 (119) Section 464(d)(2)(B)(iii) is amended by  
19 striking “subsection (c)(2)(E)” and inserting “sec-  
20 tion 461(k)(2)(E)”.

21 (120) Section 470(d)(2)(B) is amended by  
22 striking “clause (ii)” and inserting “subparagraph  
23 (A)(ii)”.

1           (121) The item relating to part VIII in the  
2 table of parts for subchapter F of chapter 1 is  
3 amended to read as follows:

          “PART VIII. CERTAIN SAVINGS ENTITIES”.

4           (122) Section 501(c)(14)(B)(iv) is amended by  
5 adding a period at the end.

6           (123) Section 501(c)(19)(B) is amended by  
7 striking “widows,,” and inserting “widows,”.

8           (124) Section 501(f)(3)(B) is amended by strik-  
9 ing “section 115(a)” and inserting “section 115”.

10          (125) The item relating to section 511 in the  
11 table of sections for part III of subchapter F of  
12 chapter 1 is amended to read as follows:

          “Sec. 511. Imposition of tax on unrelated business income of charitable, etc.,  
          organizations.”.

13          (126) Section 512(b)(19)(H)(iii) is amended by  
14 striking “clause (i)(II)” and inserting “clause (i)”.

15          (127) Section 529(c)(6) is amended by striking  
16 “an Coverdell” and inserting “a Coverdell”.

17          (128) Section 529(e)(3)(A) is amended—

18               (A) by striking the semicolon at the end of  
19 clause (i) and inserting a comma, and

20               (B) by adding “, and” at the end of clause  
21 (ii).

22          (129) Section 529A(d)(4) is amended by strik-  
23 ing “Achieving a Better Life Experience Act of



1 2014” and inserting “Stephen Beck, Jr., ABLE Act  
2 of 2014”.

3 (130) Section 529A(e)(4) is amended by strik-  
4 ing “subparagraph section” and inserting “section”.

5 (131) Section 530(d)(9)(B) is amended by  
6 striking “by the” and inserting “by”.

7 (132) Section 542(c)(5) is amended by striking  
8 the comma at the end and inserting a semicolon.

9 (133) Section 542(c)(7) is amended by striking  
10 “A small” and inserting “a small”.

11 (134) Section 543(a)(2)(B)(ii) is amended by  
12 striking “section 563(d)” and inserting “section  
13 563(c)”.

14 (135) Section 543(d)(5)(A)(ii) is amended by  
15 striking “section 563(d)” and inserting “section  
16 563(c)”.

17 (136) Section 613A(c)(7)(B) is amended by  
18 striking “taxpayers” and inserting “taxpayer’s”.

19 (137) Section 642(c)(1) is amended by striking  
20 “other than” and inserting “other than”.

21 (138) The item relating to section 661 in the  
22 table of sections for subpart C of part I of sub-  
23 chapter J of chapter 1 is amended to read as fol-  
24 lows:

“Sec. 661. Deduction for estates and trusts accumulating income or distrib-  
uting corpus.”.

1           (139) Section 706(b)(5) is amended by striking  
2           “section 584(h)” and inserting “section 584(i)”.

3           (140) Section 751(c) is amended by striking  
4           “and, sections” both places it appears and inserting  
5           “and sections”.

6           (141) Section 807(e)(7)(A)(i) is amended by  
7           striking “subparagraph (C)” and inserting “sub-  
8           paragraph (B)”.

9           (142) Section 810(c)(2)(B) is amended by  
10          striking “corporations),” and inserting “corpora-  
11          tions)”.

12          (143) Section 810(d)(1) is amended by striking  
13          “paragraphs (2) and (3) of section 804) or” and in-  
14          serting “paragraph (2) of section 804) for”.

15          (144) Section 810(f) is amended by striking  
16          “section 805(b)(5)” and inserting “section  
17          805(b)(4)”.

18          (145) Section 831(c) is amended by striking  
19          “section 816(a).” and inserting “section 816(a).”.

20          (146) Section 832(b)(7)(E)(ii)(II) is amended  
21          by striking the comma at the end and inserting a pe-  
22          riod.

23          (147) Section 852(a)(1)(B) is amended by  
24          striking “265,” and inserting “265 and”.

1           (148) Section 852(b)(2)(D) is amended by  
2 striking “the deduction” and inserting “The deduc-  
3 tion”.

4           (149) Subparagraphs (A) and (B) of section  
5 856(c)(7) are each amended by striking “paragraph  
6 (4)(B)(iii)” and inserting “paragraph (4)(B)(iv)”.

7           (150) Paragraphs (1), (3), (4), and (5) of sec-  
8 tion 856(m) are each amended by striking “sub-  
9 section (c)(4)(B)(iii)” and inserting “subsection  
10 (c)(4)(B)(iv)”.

11           (151) Section 857(b)(6)(J) is amended by strik-  
12 ing “section 856(c)(8)” and inserting “section  
13 856(c)(10)”.

14           (152) Section 860(f)(2)(A)(ii) is amended by  
15 striking “decreased” and inserting “decrease”.

16           (153) Section 860(i) is amended by striking  
17 “willfull” and inserting “willful”.

18           (154) Section 860G(a)(3)(A)(iii)(III) is amend-  
19 ed by striking the period at the end and inserting  
20 a comma.

21           (155) Section 864(d)(8) is amended by striking  
22 “section 956(b)(3)” and inserting “section  
23 956(c)(3)”.

24           (156) Section 877(d)(4)(B)(i) is amended by  
25 striking “in 957” and inserting “in section 957”.

1           (157) Section 877A(g)(6) is amended by strik-  
2           ing “220(e)(4)” and inserting “220(f)(4)”.

3           (158) Section 897(a)(1)(A) is amended by  
4           striking “section 871(B)(1)” and inserting “section  
5           871(b)(1)”.

6           (159) The heading of section 897(k)(2) is  
7           amended by striking “USRPI” and inserting  
8           “UNITED STATES REAL PROPERTY INTEREST”.

9           (160) Section 904(d)(2)(B)(ii) is amended by  
10          striking “subparagraph (E)(iii) or paragraph (3)(I)”  
11          and inserting “subparagraph (E)(ii) or paragraph  
12          (3)(H)”.

13          (161) Section 907(c)(3)(C) is amended by strik-  
14          ing the period after “partnerships” and inserting a  
15          comma.

16          (162) Section 907(f)(1) is amended by striking  
17          “year,” and inserting “years,”.

18          (163) Section 911(d)(8)(B)(i) is amended by  
19          striking “(50 U.S.C. App. 1 et seq.)” and inserting  
20          “(50 U.S.C. 4301 et seq.)”.

21          (164) Section 912(1)(B) is amended by striking  
22          “(50 U.S.C., sec. 403e)” and inserting “(50 U.S.C.  
23          3505)”.

1           (165) Section 936(h)(5)(C)(i)(III)(a) is amend-  
2           ed by striking “corporations” and inserting “cor-  
3           poration’s”.

4           (166) Section 954(b)(5) is amended by striking  
5           “income,,” and inserting “income,”.

6           (167) Section 954(b)(6) is amended by striking  
7           the comma after “paragraph (2)”.

8           (168) Section 956(c)(2)(E) is amended by  
9           striking “section 953(a)(1)” and inserting “section  
10          953(e)(2)”.

11          (169) Section 956(e) is amended by striking  
12          “provisons” and inserting “provisions”.

13          (170) Section 957(b) is amended by striking  
14          “section 953(a)(1)” and inserting “section  
15          953(e)(2)”.

16          (171) Section 960(b)(3) is amended by striking  
17          “Reconciliation” and inserting “Reconciliation”.

18          (172) The heading of section 993 is amended  
19          by inserting “**AND SPECIAL RULES**” after “**DEFI-**  
20          **NITIONS**”.

21          (173) Section 1016(a)(3)(D) is amended by in-  
22          serting “as in effect prior to its repeal by the Tax  
23          Reform Act of 1986” before “(or the corresponding  
24          provisions of prior income tax laws)”.

1           (174) Section 1033(h)(2) is amended by insert-  
2           ing “is” before “located”.

3           (175) Section 1035(a)(1) is amended by strik-  
4           ing “; or” and inserting a semicolon.

5           (176) Section 1059(d)(3) is amended by strik-  
6           ing “; except that” and all that follows and inserting  
7           “and there shall not be taken into account any day  
8           which is more than 2 years after the date on which  
9           such share becomes ex-dividend.”.

10          (177) Section 1092(a)(2)(B) is amended by  
11          striking “with respect other” in the last sentence  
12          and inserting “with respect to other”.

13          (178) Section 1092(c)(4)(E) is amended by  
14          striking “(other than subparagraph (B) thereof)”.

15          (179) The item relating to section 1222 in the  
16          table of sections for part III of subchapter P of  
17          chapter 1 is amended to read as follows:

“Sec. 1222. Other terms relating to capital gains and losses.”.

18          (180) The item relating to section 1252 in the  
19          table of sections for part IV of subchapter P of  
20          chapter 1 is amended to read as follows:

“Sec. 1252. Gain from disposition of farm land.”.

21          (181) Section 1250(d)(3) is amended by strik-  
22          ing “paragraph (9)” and inserting “paragraph (6)”.

23          (182) Section 1255(b)(2) is amended by strik-  
24          ing “170(e),” and inserting “170(e)”.

1           (183)(A) Subparagraphs (B) and (C) of section  
2           1256(e)(3) are each amended by striking “section  
3           464(e)(2)” and inserting “section 461(k)(4)”.

4           (B) Section 1258(d)(5)(C) is amended by strik-  
5           ing “section 464(e)(2)” and inserting “section  
6           461(k)(4)”.

7           (184) Section 1257(c)(1) is amended—

8                 (A) by striking “section 1201(4)” and in-  
9                 serting “section 1201(a)(7)”, and

10                (B) by striking “16 U.S.C. 3801(4)” and  
11                inserting “16 U.S.C. 3801(7)”.

12           (185) Section 1257(c)(2) is amended—

13                 (A) by striking “section 1201(6)” and in-  
14                 serting “section 1201(a)(10)”, and

15                (B) by striking “16 U.S.C. 3801(6)” and  
16                inserting “16 U.S.C. 3801(10)”.

17           (186) Section 1274(b)(3)(B)(i) is amended by  
18           striking “section 6662(d)(2)(C)(iii)” and inserting  
19           “section 6662(d)(2)(C)(ii)”.

20           (187) Section 1276(a)(4) is amended by strik-  
21           ing “871(a),,” and inserting “871(a),”.

22           (188) Section 1278(b)(1) is amended by strik-  
23           ing “871(a),,” and inserting “871(a),”.

24           (189) Section 1286(f) is amended by striking  
25           “and 305(e),” and inserting “and section 305(e),”.

1           (190) Section 1291(e) is amended by striking  
2           “subsections (c) and (d) (e),” and inserting “sub-  
3           sections (c), (d), and (e)”.

4           (191) Section 1298(b)(5)(B) is amended by  
5           striking “section 951(f)” and inserting “section  
6           951(c)”.

7           (192) Section 1298(d)(2)(A) is amended by  
8           striking “section 1296(a)(2)” and inserting “section  
9           1297(a)(2)”.

10          (193) Section 1298(e)(2)(B)(ii) is amended by  
11          striking “provisons” and inserting “provisions”.

12          (194) Section 1355(f)(3) is amended by strik-  
13          ing “of which” and inserting “on which”.

14          (195) Section 1358(b)(1) is amended by strik-  
15          ing “section 1352(a)(2)” and inserting “section  
16          1352(2)”.

17          (196) Section 1358(c)(2) is amended by strik-  
18          ing “an person’s” and inserting “a person’s”.

19          (197) Sections 1361(f)(2), 1362(d)(3)(C)(v),  
20          and 4975(d)(16)(A) are each amended by striking  
21          “1813(w)(1)),” and inserting “1813(w)(1))),”.

22          (198) Section 1362(f) is amended by striking  
23          “may be during” and inserting “may be, during”.



1           (199) Section 1366(e) is amended by striking  
2           “section 704(e)(3)” and inserting “section  
3           704(e)(2)”.

4           (200) Section 1368(f)(2) is amended by strik-  
5           ing “in included” and inserting “is included”.

6           (201) Section 1391(g)(3)(E)(ii) is amended by  
7           striking “Interior” and inserting “the Interior”.

8           (202) Section 1394(b)(3)(B)(i)(II) is amended  
9           by striking “subsection” and inserting “sub-  
10          sections”.

11          (203) Section 1397C(d)(5)(B) is amended by  
12          striking “subparagraphs (A) or (B)” and inserting  
13          “subparagraph (A) or (B)”.

14          (204) Section 1402(a)(1) is amended—

15                 (A) by striking “section 1233(2)” and in-  
16                 serting “section 1233(a)(2)”, and

17                 (B) by striking “16 U.S.C. 3833(2)” and  
18                 inserting “16 U.S.C. 3833(a)(2)”.

19          (205) Section 1402(b) is amended by striking  
20          “3211,.” and inserting “3211.”.

21          (206) The heading of section 1446 is amended  
22          by striking “**WITHHOLDING TAX**” in the heading  
23          and inserting “**WITHHOLDING OF TAX**”.

1           (207) Section 2031(c)(1) is amended by strik-  
2           ing all that follows subparagraph (A) and inserting  
3           the following:

4                     “(B) \$500,000.”.

5           (208) Section 2031(c)(2) is amended by strik-  
6           ing “paragraph (5)).” and inserting “paragraph  
7           (5))).”.

8           (209) Section 2055(e)(3)(G) is amended by  
9           striking “subparagraph (J)” and inserting “sub-  
10          paragraph (J))”.

11          (210) Section 2106(a)(4) is amended by insert-  
12          ing “section” before “2058(a)”.

13          (211) Section 2522(c)(1) is amended by strik-  
14          ing “to of for” and inserting “to or for”.

15          (212) Section 2523(g)(1) is amended by strik-  
16          ing “noncharitable beneficiary” and inserting “bene-  
17          ficiary who is not a charitable beneficiary”.

18          (213) Section 2523(g)(2) is amended by strik-  
19          ing “noncharitable” and inserting “charitable”.

20          (214) Section 3101(a) is amended by adding a  
21          period at the end.

22          (215) Section 3111(e)(5)(B) is amended by in-  
23          serting “the” before “meaning”.

1           (216) Section 3121(b)(5)(B)(i)(V) is amended  
2           by striking “section 105(e)(2)” and inserting “sec-  
3           tion 104(e)(2)”.

4           (217) Section 3121(b)(5)(H)(i) is amended by  
5           striking “1997” and inserting “1997.”.

6           (218) Section 3304(a)(4)(G)(ii) is amended by  
7           striking “section 6402(f)(4)(B)” and inserting “sec-  
8           tion 6402(f)(4)(C)”.

9           (219) Section 3306(b)(5)(F) is amended by  
10          striking the semicolon at the end and inserting a  
11          comma.

12          (220) Section 3306(c)(19) is amended by strik-  
13          ing “Service” and inserting “service”.

14          (221) Section 3306(u) is amended by striking  
15          “25 U.S.C. 450b(e)” and inserting “25 U.S.C.  
16          5304(e)”.

17          (222) Section 3306(v) is amended by striking  
18          “this part” and inserting “this section”.

19          (223) Section 3309(d) is amended by striking  
20          “25 U.S.C. 450b(e)” and inserting “25 U.S.C.  
21          5304(e)”.

22          (224)(A) Paragraphs (1), (2), (3), (4)(B), (5),  
23          (6), (8)(A)(ii), (8)(B), (8)(D), (9), (10)(B), (11),  
24          (12)(A), (12)(B), (12)(C), (13), (14), and (15) of

1 section 3401(a) are each amended by striking “; or”  
2 at the end and inserting a comma.

3 (B) Paragraphs (4)(A), (8)(A)(i), (8)(C),  
4 (10)(A), (12)(D), and (22) of section 3401(a) are  
5 each amended by striking “; or” at the end and in-  
6 serting “, or”.

7 (C) Section 3401(a)(12)(E) is amended by  
8 striking “, or” at the end and inserting a comma.

9 (D) Paragraphs (16)(A), (16)(B), (17), (18),  
10 (19), (20), and (21) of section 3401(a) are each  
11 amended by striking the semicolon at the end and  
12 inserting a comma.

13 (225) Section 3509(d)(1)(C) is amended by  
14 striking “sections” and inserting “section”.

15 (226) Section 4051(a)(3) is amended by strik-  
16 ing “Secretary.” and inserting “Secretary.”.

17 (227) Section 4104(a)(1) is amended by strik-  
18 ing “section” and inserting “sections”.

19 (228) Section 4221(a) is amended by striking  
20 “section 4051,” and inserting “section 4051”.

21 (229) The item relating to part III in the table  
22 of parts for subchapter C of chapter 33 is amended  
23 by striking “relating” and inserting “applicable”.

1           (230) Section 4612(e)(2)(B)(ii)(I) is amended  
2           by striking “tranferred” and inserting “trans-  
3           ferred”.

4           (231) Section 4958(f)(1)(D) is amended by  
5           striking the period at the end and inserting a  
6           comma.

7           (232) Section 4971(c)(3) is amended by strik-  
8           ing “applicable and” and inserting “applicable,  
9           and”.

10          (233) Section 4971(f) is amended by striking  
11          “applicable for” and inserting “applicable, for”.

12          (234) Section 4971(g)(4)(C)(ii) is amended by  
13          striking “section 432(i)(9)” and inserting “section  
14          432(j)(9)”.

15          (235) Section 4975(d)(3) is amended by strik-  
16          ing “an leveraged” and inserting “a leveraged”.

17          (236) Section 4975(d)(17) is amended by strik-  
18          ing “Any” and inserting “any”.

19          (237) Section 4975(d)(21) is amended by strik-  
20          ing “person person” and inserting “person”.

21          (238) Section 4975(f)(8)(C)(iv)(II) is amended  
22          by inserting “subsection” before “(d)(17)(A)(ii)”.

23          (239) Section 4975(f)(8)(F)(i)(I) is amended by  
24          striking “adviser,” and inserting “adviser”.

1           (240) Section 4975(f)(8)(F)(i)(V) is amended  
2 by inserting “of” before “the manner”.

3           (241) Section 4980B(f)(1) is amended by strik-  
4 ing “section 2162 of the Public Health Service Act”  
5 and inserting “section 1928(h)(6) of the Social Se-  
6 curity Act (42 U.S.C. 1396s(h)(6))”.

7           (242) Section 4980B(f)(5)(C)(iii) is amended  
8 by striking “section 2701(c)(2)” and inserting “sec-  
9 tion 2704(c)(2)”.

10           (243) Section 4980I(b)(3)(C)(iv) is amended by  
11 striking the comma at the end and inserting a pe-  
12 riod.

13           (244) Section 4980I(b)(3)(C)(v) is amended by  
14 striking “for for” and inserting “for”.

15           (245) Section 5054(a)(3)(B) is amended by  
16 striking “sections” and inserting “section”.

17           (246) Section 5066(d) is amended by striking  
18 “section 5001(a)(5)” and inserting “section  
19 5001(a)(4)”.

20           (247) The item relating to subpart C in the  
21 table of subparts for part II of subchapter A of  
22 chapter 51 is amended to read as follows:

“SUBPART C. RECORDKEEPING AND REGISTRATION BY DEALERS”.

1           (248) The item relating to section 5178 in the  
2           table of sections for subchapter B of chapter 51 is  
3           amended to read as follows:

“Sec. 5178. Premises of distilled spirits plants.”.

4           (249) Section 5182 is amended by striking  
5           “section 5112” and inserting “section 5121”.

6           (250) Section 5273(e)(2) is amended by strik-  
7           ing “section 5001(a)(6)” and inserting “section  
8           5001(a)(5)”.

9           (251) Section 5314(a)(2) is amended by strik-  
10          ing “section 5001(a)(10)” and inserting “section  
11          5001(a)(9)”.

12          (252) Section 5392(f) is amended by striking  
13          “section 17(a)(5)” and inserting “section  
14          117(a)(5)”.

15          (253) Section 5512 is amended by striking  
16          “section 5001(a)(7)” and inserting “section  
17          5001(a)(6)”.

18          (254) Section 5601(a)(15) is amended by strik-  
19          ing “Withdraws,” and inserting “withdraws,”.

20          (255) The heading of section 5603 is amended  
21          by inserting a comma after “**RETURNS**”.

22          (256) Section 5701(e) is amended by striking  
23          “manufacturere” and inserting “manufactured”.





1           (265) Section 6039(d)(2) is amended to read as  
2 follows:

3           “(2) the term ‘employee stock purchase plan’,  
4 see section 423(b).”.

5           (266) The table of sections for subpart B of  
6 part III of subchapter A of chapter 61 is amended  
7 by inserting after the item relating to section 6041  
8 the following new item:

“Sec. 6041A. Returns regarding payments of remuneration for services and direct sales.”.

9           (267) The item relating to section 6050I in the  
10 table of sections for subpart B of part III of sub-  
11 chapter A of chapter 61 is amended to read as fol-  
12 lows:

“Sec. 6050I. Returns relating to cash received in trade or business, etc.”.

13           (268) The item relating to section 6050W in  
14 the table of sections for subpart B of part III of  
15 subchapter A of chapter 61 is amended to read as  
16 follows:

“Sec. 6050W. Returns relating to payments made in settlement of payment card and third party network transactions.”.

17           (269) Section 6050H(h)(3)(B)(i) is amended by  
18 striking “Rural Housing Administration” and insert-  
19 ing “Rural Housing Service”.

20           (270) Section 6058(e) is amended by striking  
21 paragraph (1) and by redesignating paragraphs (2)  
22 and (3) as paragraphs (1) and (2), respectively.

1 (271) Section 6059(b)(3)(B) is amended—

2 (A) by striking “the requirements” and in-  
3 serting “that the requirements”, and

4 (B) by striking the period at the end and  
5 inserting a comma.

6 (272) Section 6091(b)(2)(B)(ii) is amended by  
7 striking “and” at the end.

8 (273) Section 6103(l)(7) is amended by striking  
9 “OF 1977” in the heading thereof.

10 (274) Section 6103(l)(10)(A) is amended by  
11 striking “request made under subsection (f)(5)” and  
12 inserting “notice submitted under subsection  
13 (f)(5)(C)”.

14 (275) Section 6103(l)(10) is amended by strik-  
15 ing so much of subparagraph (B) as precedes “Any”  
16 and inserting the following:

17 “(B) RESTRICTION ON USE OF DISCLOSED  
18 INFORMATION.—(i)”.

19 (276) Section 6103(l)(16)(A) is amended by  
20 striking “subsection 6103(b)(6)” and inserting “sec-  
21 tion 6103(b)(6)”.

22 (277) Section 6103(p)(3)(A) is amended by  
23 striking “subsections” and inserting “subsection”.

1           (278) Section 6103(p)(3)(C)(ii) is amended by  
2 striking the comma at the end and inserting a pe-  
3 riod.

4           (279) Section 6103(p)(4) is amended by strik-  
5 ing “7(a)(ii)” in the flush matter before subpara-  
6 graph (A) and inserting “(7)(A)(ii)”.

7           (280) Section 6103(p)(4)(F)(ii) is amended—

8                 (A) by striking “subsections” and inserting  
9 “subsection”, and

10                (B) by striking “subsection (l)(21),,” and  
11 inserting “subsection (l)(21),”.

12           (281) Section 6103(p)(4) is amended by strik-  
13 ing “subsection (l)(21),,” both places it appears in  
14 the flush matter at the end and inserting “sub-  
15 section (l)(21),”.

16           (282) Section 6109(f) is amended by striking  
17 “OF 1977” in the heading thereof.

18           (283) Section 6213(g)(2)(O) is amended by  
19 adding a comma at the end.

20           (284) Section 6213(g)(2)(P) is amended—

21                 (A) by striking “section 24(h)(2)” and in-  
22 serting “section 24(g)(2)”, and

23                 (B) by striking “subsection (h)(1)” and in-  
24 serting “subsection (g)(1)”.

1           (285) Section 6302(e)(2)(A) is amended by  
2 striking “sections” and inserting “section”.

3           (286) Section 6311(d)(3)(D) is amended—

4                 (A) by striking “section 103(f)” and in-  
5 sserting “section 103(g)”, and

6                 (B) by striking “1602(f)” and inserting  
7 “1602(g)”.

8           (287) Section 6330(d)(2) is amended by strik-  
9 ing “, and” at the end and inserting a period.

10           (288) Section 6334(a)(10)(A) is amended by  
11 striking “V,,” and inserting “V,”.

12           (289) Section 6342(a) is amended by striking  
13 “subsection (c)(2)” and inserting “subsection  
14 (d)(2)”.

15           (290) Section 6402(a) is amended by striking  
16 “(f) refund” and inserting “(f), refund”.

17           (291) Section 6402(c) is amended by striking  
18 “of of” and inserting “of”.

19           (292) Section 6402(d)(2) is amended by strik-  
20 ing “section 402(a)(26) of the Social Security Act”  
21 and inserting “section 408(a)(3) of the Social Secu-  
22 rity Act (42 U.S.C. 608(a)(3))”.

23           (293) Section 6404(g)(2)(E) is amended by  
24 striking “section 6664(d)(2)(A)” and inserting “sec-  
25 tion 6664(d)(3)(A)”.

1           (294) Section 6420(i)(4) is amended by striking  
2           “State and” and inserting “State (and”.

3           (295) Section 6421(c) is amended by striking  
4           “(4) (5)” and inserting “(4), (5)”.

5           (296) Section 6421(j)(3) is amended by striking  
6           “State and” and inserting “State (and”.

7           (297) Section 6422 is amended—

8                 (A) by striking paragraph (7),

9                 (B) by redesignating paragraphs (8)  
10                through (12) as paragraphs (7) through (11),  
11                respectively, and

12               (C) by striking “for credit” in paragraph  
13               (10) as so redesignated and inserting “For  
14               credit”.

15           (298) Section 6425(c)(1)(A) is amended by  
16           striking “The sum” and inserting “the sum”.

17           (299) Section 6426(b)(2)(A)(ii) is amended by  
18           striking “cents..” and inserting “cents.”.

19           (300) Section 6501(m) is amended by striking  
20           “any election” and all that follows through “(or  
21           any” and inserting the following: “any election  
22           under section 30B(h)(9), 30C(e)(4), 30D(e)(4),  
23           35(g)(11), 40(f), 43, 45B, 45C(d)(4), 45H(g), or  
24           51(j) (or any”.

1           (301) Section 6503(a)(1) is amended by strik-  
2           ing “section 6230(a).” and inserting “section  
3           6230(a)”).

4           (302) Section 6612(c) is amended—

5                   (A) by inserting “sections” before  
6                   “2014(e)”, and

7                   (B) by striking “and 6420” and inserting  
8                   “6420”.

9           (303) The item relating to section 6651 in the  
10           table of sections for part I of subchapter A of chap-  
11           ter 68 is amended to read as follows:

“Sec. 6651. Failure to file tax return or to pay tax.”.

12           (304) Each of the following sections are amend-  
13           ed by inserting “an amount equal to” after “in-  
14           creased by” and by inserting “for the calendar year”  
15           after “section 1(f)(3)”:

16                   (A) Section 6651(i).

17                   (B) Section 6652(c)(7)(A).

18                   (C) Section 6695(h)(1).

19                   (D) Section 6698(e)(1).

20                   (E) Section 6699(e)(1).

21                   (F) Section 6721(f)(1).

22                   (G) Section 6722(f)(1).

23           (305) Section 6654(a) is amended by striking  
24           “chapter 1 the tax” and inserting “chapter 1, the  
25           tax”.

1           (306) Section 6654(f)(3) is amended by strik-  
2           ing “taxes” and inserting “tax”.

3           (307) Section 6662(d)(3) is amended by strik-  
4           ing “section 6664(d)(2)” and inserting “section  
5           6664(d)(3)”.

6           (308) Section 6662 is amended by moving sub-  
7           section (i) before subsection (j).

8           (309) The heading of section 6676(c) is amend-  
9           ed by striking “REASONABLE BASIS” and inserting  
10          “REASONABLE CAUSE”.

11          (310) The item relating to section 6684 in the  
12          table of sections for part I of subchapter B of chap-  
13          ter 68 is amended to read as follows:

“Sec. 6684. Assessable penalties with respect to liability for tax under chapter  
42.”.

14          (311) The item relating to section 6686 in the  
15          table of sections for part I of subchapter B of chap-  
16          ter 68 is amended to read as follows:

“Sec. 6686. Failure to file returns or supply information by DISC or former  
FSC.”.

17          (312) Section 6679(a)(1) is amended by strik-  
18          ing “section 6046 and 6046A” and inserting “sec-  
19          tion 6046 or 6046A”.

20          (313) Section 6695(h)(2) is amended by strik-  
21          ing “subparagraph (A)” and inserting “paragraph  
22          (1)”.

1           (314) Section 6695(h)(2)(B) is amended by  
2 striking “clause (i)” and inserting “subparagraph  
3 (A)”.

4           (315) Section 6696(a) is amended by striking  
5 “section 6694,” and inserting “sections 6694,”.

6           (316) Section 6696(d)(1) is amended by strik-  
7 ing “section 6695,” and inserting “6695,”.

8           (317) Section 6698(b)(2) is amended by adding  
9 a period at the end.

10           (318) Section 6700(a) is amended by striking  
11 “the \$1,000” and inserting “\$1,000”.

12           (319) Section 6724(d)(1)(B)(xx) is amended by  
13 striking “or” at the end.

14           (320) Section 6724(d)(1)(B)(xxi) is amended  
15 by striking “and” at the end.

16           (321) Section 6724(d)(1) is amended by strik-  
17 ing “Such term also includes” and inserting the fol-  
18 lowing:

19 “Such term also includes”.

20           (322) Section 6724(d)(2)(F) is amended by  
21 striking the period at the end and inserting a  
22 comma.

23           (323) Section 6724(d)(2)(M) is amended by  
24 striking “(h)(2) relating” and inserting “(h)(2) (re-  
25 lating”.



1           (324) Section 6724(d)(2)(DD) is amended by  
2 adding a comma at the end.

3           (325) Section 6863(a) is amended by striking  
4 “6852,,” and inserting “6852,”.

5           (326) Section 6901(a)(1)(B) is amended by  
6 striking “Code in” and inserting “Code, in”.

7           (327) Section 7275(b)(2) is amended by strik-  
8 ing “taxes, shall” and inserting “taxes,”.

9           (328) Section 7421(b)(2) is amended by strik-  
10 ing “Code in” and inserting “Code, in”.

11           (329)(A) Subsections (e) and (i) of section  
12 7422 and sections 3121(b)(5)(E), 6110(j)(1)(B),  
13 7428(a), and 7430(c)(6) are each amended by strik-  
14 ing “United States Claims Court” and inserting  
15 “United States Court of Federal Claims”.

16           (B) Subsections (a), (b), and (c)(1)(C)(iii) of  
17 section 7428 are each amended by striking “Claims  
18 Court” and inserting “Court of Federal Claims”.

19           (C) The heading of section 4961(c)(1) is  
20 amended by striking “UNITED STATES CLAIMS  
21 COURT” and inserting “UNITED STATES COURT OF  
22 FEDERAL CLAIMS”.

23           (D) Section 6672(c)(2) is amended by striking  
24 “Court of Claims” and inserting “Court of Federal  
25 Claims”.

1           (330) The item relating to section 7448 in the  
2           table of sections for part I of subchapter C of chap-  
3           ter 76 is amended to read as follows:

          “Sec. 7448. Annuities to surviving spouses and dependent children of judges  
          and special trial judges.”.

4           (331) Section 7448(j)(1)(A) is amended by  
5           striking “Code,)” and inserting “Code),”.

6           (332) Section 7448(m) is amended by striking  
7           “Code,” and inserting “Code),”.

8           (333) Section 7454(b) is amended by striking  
9           “4955),” and inserting “4955),”.

10          (334) Section 7654(d)(1) is amended by strik-  
11          ing “50 App. U.S.C. 501 et seq.” and inserting “50  
12          U.S.C. 3901 et seq.”.

13          (335) Section 7701(a)(36)(B) is amended by  
14          striking “an ‘tax’” and inserting “a ‘tax’”.

15          (336) Section 7701(e)(5)(B) is amended by  
16          striking “Reconciliation” and inserting “Reconcili-  
17          ation”.

18          (337) Section 7801(a)(2)(B) is amended—

19                 (A) by striking “this Act” and inserting  
20                 “the Homeland Security Act of 2002”, and

21                 (B) by striking “effective date of the  
22                 Homeland Security Act of 2002” and inserting  
23                 “effective date of such Act”.

1           (338) Section 7809(c)(1) is amended by strik-  
2           ing “Work” and inserting “work”.

3           (339) Section 7851(a)(1)(A) is amended by  
4           striking “, 4”.

5           (340) Section 7851(a)(1)(B) is amended by  
6           striking “Chapters 3 and 5” and inserting “Chapter  
7           3”.

8           (341) Section 7871(c)(3)(D)(ii)(II) is amended  
9           by striking “calender” and inserting “calendar”.

10          (342) Section 9003(b)(2) is amended by strik-  
11          ing “section 9006(d)” and inserting “section  
12          9006(c)”.

13          (343) Section 9011(b)(1) is amended by strik-  
14          ing “contrue” and inserting “construe”.

15          (344) Section 9502(d)(2) is amended by strik-  
16          ing “farms,” and inserting “farms),”.

17          (345) Section 9503(c)(5) is amended by strik-  
18          ing “and before October 1, 2011,”.

19          (346) Section 9508(c)(1) is amended by strik-  
20          ing “the Public” and inserting “Public”.

21          (347) Section 9701(a)(4) is amended by strik-  
22          ing “section 9713A” and inserting “section 9712”.

23          (348) Section 9704(d)(2)(B) is amended by  
24          striking “1232)),” and inserting “1232),”.

1           (349) Section 9704(h) is amended by striking  
2           “Secretary” and inserting “Commissioner”.

3           (350) Section 9705(b)(1) is amended by strik-  
4           ing “1232(h)” and inserting “1232”.

5           (351) Section 9705(b)(2) is amended by strik-  
6           ing “Acts” and inserting “Act”.

7           (352) Section 9711(c)(4)(B) is amended by  
8           striking “paragraph (4)(C)” and inserting “para-  
9           graph (3)(C)”.

10          (353) Section 9712(a)(4)(A) is amended by in-  
11          serting “section 402 of” after “subsections (h) and  
12          (i) of”.

13          (354) Section 9812(a)(3)(B)(i) is amended by  
14          striking the comma at the end and inserting a pe-  
15          riod.

16          (355) Section 302 of division P of the Consoli-  
17          dated Appropriations Act, 2016 is amended—

18                 (A) in subsection (a), by inserting “of the  
19                 Internal Revenue Code of 1986” after “section  
20                 48(a)(5)(C)”, and

21                 (B) in subsection (b), by inserting “of such  
22                 Code” after “section 48(a)”.

23          (356) Section 32103(a) of the Fixing America’s  
24          Surface Transportation Act is amended by striking  
25          “section 52106” and inserting “section 32102”.

1 (b) GENERAL DEADWOOD-RELATED PROVISIONS.—

2 (1) Section 25A(c)(1) is amended by striking  
3 “(\$5,000 in the case of taxable years beginning be-  
4 fore January 1, 2003)”.

5 (2) Section 26(b)(2) is amended by striking  
6 subparagraph (P).

7 (3) Section 32(l) is amended by striking “, and  
8 any payment made to such individual (or such  
9 spouse) by an employer under section 3507,”.

10 (4)(A) Section 38(c)(5) is amended—

11 (i) by striking all that precedes subpara-  
12 graph (C) thereof and inserting the following:

13 “(5) RULES RELATED TO ELIGIBLE SMALL  
14 BUSINESSES.—”,

15 (ii) by redesignating subparagraphs (C)  
16 and (D) as subparagraphs (A) and (B), respec-  
17 tively, and

18 (iii) by amending subparagraph (B) (as so  
19 redesignated) to read as follows:

20 “(B) TREATMENT OF PARTNERS AND S  
21 CORPORATION SHAREHOLDERS.—For purposes  
22 of paragraph (4)(B)(ii), any credit determined  
23 under section 41 with respect to a partnership  
24 or S corporation shall not be treated as a speci-  
25 fied credit by any partner or shareholder unless

1 such partner or shareholder meets the gross re-  
2 ceipts test under subparagraph (A) for the tax-  
3 able year in which such credit is treated as a  
4 current year business credit.”.

5 (B) Section 38(c)(2)(A)(ii)(II) is amended by  
6 striking “the eligible small business credits,”.

7 (C) Section 38(c)(4)(A)(ii)(II) is amended by  
8 striking “the eligible small business credits and”.

9 (D) Section 38(c)(4)(B)(ii) is amended by strik-  
10 ing “(as defined in paragraph (5)(C), after applica-  
11 tion of rules similar to the rules of paragraph  
12 (5)(D))” and inserting “(as defined in paragraph  
13 (5)(A) after application of the rules of paragraph  
14 (5)(B))”.

15 (5) Section 56(d)(1)(A)(ii)(I) is amended by in-  
16 serting “(as in effect before its repeal by the Tax In-  
17 crease Prevention Act of 2014)” after “section  
18 172(b)(1)(H)”.

19 (6)(A) Section 139(c)(2) is amended by striking  
20 “section 165(h)(3)(C)(i)” and inserting “section  
21 165(i)(5)(A)”.

22 (B) Section 7508A(a) is amended by striking  
23 “section 165(h)(3)(C)(i)” and inserting “section  
24 165(i)(5)(A)”.

1           (7) Section 140(a) is amended by striking para-  
2           graph (2) and by redesignating paragraphs (3)  
3           through (6) as paragraphs (2) through (5), respec-  
4           tively.

5           (8) Section 163(d)(4) is amended by striking  
6           subparagraph (E).

7           (9) Section 168 is amended by striking sub-  
8           section (n).

9           (10) Section 172(b)(1)(D)(iv) is amended by  
10          striking “subsection (h)” and inserting “subsection  
11          (g)”.

12          (11) Section 246A(b)(1) is amended by striking  
13          “without regard to section 243(d)(4)”.

14          (12) Section 409 is amended by striking sub-  
15          section (m).

16          (13) Section 411(a)(3)(F)(i) is amended by  
17          striking “under section 418D or”.

18          (14) Section 413(b)(6) is amended by striking  
19          “and the last sentence of section 4971(a)” in the  
20          last sentence.

21          (15) Section 415(g) is amended by striking  
22          “subsection (f)(3)” and inserting “subsection  
23          (f)(2)”.

24          (16)(A) Section 419(e)(3)(A) is amended by  
25          striking “(17), or (20)” and inserting “or (17)”.

1 (B) Section 419A(g)(1) is amended by striking  
2 “(17), or (20)” and inserting “or (17)”.

3 (C) Section 419A(g)(2) is amended by striking  
4 “(17), or (20)” and inserting “or (17)”.

5 (D) Section 505 is amended—

6 (i) in the heading thereof, by striking  
7 “**PARAGRAPH (9), (17), OR (20)**” and insert-  
8 ing “**PARAGRAPH (9) OR (17)**”,

9 (ii) in the heading of subsection (a), by  
10 striking “PARAGRAPH (9) OR (20) OF SECTION  
11 501(c)” and inserting “SECTION 501(c)(9)”,

12 (iii) in subsection (a)(1), by striking “para-  
13 graph (9) or (20) of subsection (c) of section  
14 501” and inserting “section 501(c)(9)”, and

15 (iv) in subsection (c)(1), by striking “para-  
16 graph (9), (17), or (20)” and inserting “para-  
17 graph (9) or (17)”.

18 (E) Subparagraphs (A), (C), and (D) of section  
19 512(a)(3) are each amended in the text thereof by  
20 striking “(17), or (20)” and inserting “or (17)”.

21 (F) Subparagraphs (B)(ii) and (E) of section  
22 512(a)(3) are each amended in the text thereof by  
23 striking “, (17), or (20)” and inserting “or (17)”.



1 (G) The heading of section 512(a)(3) is amend-  
2 ed by striking “(17), OR (20)” and inserting “OR  
3 (17)”.

4 (H) The heading of section 512(a)(3)(E) is  
5 amended by striking “, (17), OR (20)” and inserting  
6 “OR (17)”.

7 (I) The item relating to section 505 in the table  
8 of sections for part I of subchapter F of chapter 1  
9 is amended to read as follows:

“Sec. 505. Additional requirements for organizations described in paragraph  
(9) or (17) of section 501(c).”.

10 (17) Section 501(p)(4) is amended by striking  
11 “, 556(b)(2)”.

12 (18) Section 530(b)(3) is amended—

13 (A) by striking “(as defined in section  
14 170(e)(6)(F)(i))” in subparagraph (A)(iii), and

15 (B) by adding at the end the following new  
16 subparagraph:

17 “(C) COMPUTER TECHNOLOGY OR EQUIP-  
18 MENT.—The term ‘computer technology or  
19 equipment’ means computer software (as de-  
20 fined by section 197(e)(3)(B)), computer or pe-  
21 ripheral equipment (as defined by section  
22 168(i)(2)(B)), and fiber optic cable related to  
23 computer use.”.

1           (19) Section 593(b)(2)(D)(iv) is amended by  
2 striking “(determined without regard to section  
3 596)”.

4           (20) Section 597(c)(1) is amended by striking  
5 “or section 21A of the Federal Home Loan Bank  
6 Act”.

7           (21) Section 664(g)(3)(E) is amended by strik-  
8 ing “limitations under sections 415(c) and (e)” and  
9 inserting “limitation under section 415(c)”.

10           (22) Section 810(b) is amended by striking  
11 paragraph (4).

12           (23) Section 856(m) is amended by striking  
13 paragraph (6).

14           (24) Section 871(a)(3) is amended by striking  
15 the last sentence thereof.

16           (25) Section 992(d) is amended by striking  
17 paragraph (6) and by redesignating paragraph (7)  
18 as paragraph (6).

19           (26) Section 1245(a)(3)(C) is amended by  
20 striking “, 185”.

21           (27)(A) Section 1252(a)(1) is amended by  
22 striking “during a taxable year beginning”.

23           (B) Section 1252(a)(1)(A) is amended—

24               (i) by striking “sections” and inserting  
25 “section”, and

1           (ii) by striking “and 182” and all that fol-  
2           lows through “for expenditures” and inserting  
3           “for expenditures”.

4           (C) Section 1252(a)(2) is amended—

5           (i) by striking “sections” and inserting  
6           “section”, and

7           (ii) by striking “or 182” and all that fol-  
8           lows and inserting a period.

9           (28) Section 3111 is amended by striking sub-  
10          section (d).

11          (29) Section 3127(b)(3) is amended by striking  
12          “or 222(b)”.

13          (30) Section 3221 is amended by striking sub-  
14          section (e) and by redesignating subsection (d) as  
15          subsection (e).

16          (31) Section 4481(d) is amended to read as fol-  
17          lows:

18          “(d) ONE TAX LIABILITY PER PERIOD.—To the ex-  
19          tent that the tax imposed by this section is paid with re-  
20          spect to any highway motor vehicle for any taxable period,  
21          no further tax shall be imposed by this section for such  
22          taxable period with respect to such vehicle.”.

23          (32) Section 4971(d) is amended by striking  
24          the last sentence.

1           (33) Section 6050G(a)(2) is amended by strik-  
2           ing “(to the extent not previously taken into account  
3           under section 72(d)(1))”.

4           (34) Section 6215(b) is amended by striking  
5           paragraph (5) and by redesignating paragraphs (6)  
6           and (7) as paragraphs (5) and (6), respectively.

7           (35) Section 6601(b) is amended by striking  
8           paragraph (2) and by redesignating paragraphs (3)  
9           through (5) as paragraphs (2) through (4), respec-  
10          tively.

11          (36) Section 6654(d)(1)(C)(i) is amended by  
12          striking “by substituting” and all that follows and  
13          inserting “by substituting ‘110 percent’ for ‘100  
14          percent’.”.

15          (37) Section 6654(d)(1) is amended by striking  
16          subparagraph (D).

17          (38) Part II of subchapter C of chapter 75 is  
18          amended by striking section 7326 (and by striking  
19          the item relating to such section in the table of sec-  
20          tions for such part).

21          (39) Section 7448(a)(5) is amended by striking  
22          “, whether or not performing judicial duties under  
23          section 7443B”.

24          (40) Section 7448(a)(6) is amended by striking  
25          “, and compensation received under section 7443B”.

1           (41) Section 7448(d) is amended by striking  
 2           “at 4 percent per annum to December 31, 1947,  
 3           and 3 percent per annum thereafter” and inserting  
 4           “at 3 percent per annum”.

5           (42) Section 7701(a)(19)(A) is amended by  
 6           striking “either (i)” and all that follows through  
 7           “(ii)”.

8           (43) Section 7701(a)(32)(A) is amended to  
 9           read as follows:

10                   “(A) is subject by law to supervision and  
 11                   examination by State or Federal authority hav-  
 12                   ing supervision over such institutions, and”.

13           (c) REPEAL OF CERTAIN OBSOLETE BOND PROVI-  
 14           SIONS.—

15                   (1) CERTAIN RULES WITH RESPECT TO BONDS  
 16                   ISSUED BEFORE JULY 2, 1982.—

17                           (A) Section 1271 is amended—

18                                   (i) by striking subsection (c) and by  
 19                                   redesignating subsection (d) as subsection  
 20                                   (c), and

21                                   (ii) by striking “(and paragraph (2) of  
 22                                   subsection (c))” in subsection (a)(2)(B).

23                           (B) Section 1272 is amended by striking  
 24                           subsection (b) and by redesignating subsections

1 (c) and (d) as subsections (b) and (c), respec-  
2 tively.

3 (C) Section 163(e)(1) is amended by strik-  
4 ing “In the case of any debt instrument issued  
5 after July 1, 1982, the portion of the original  
6 issue discount with respect to such debt instru-  
7 ment which is” and inserting “The portion of  
8 the original issue discount with respect to any  
9 debt instrument which is”.

10 (D) Section 163(j)(2)(C)(ii) is amended by  
11 striking “or (b)(4)”.

12 (E) Section 1271(a)(2)(A)(ii) is amended  
13 by striking “subsection (a)(7) or (b)(4) of sec-  
14 tion 1272” and inserting “section 1272(a)(7)”.

15 (F) Section 1271(b)(1) is amended to read  
16 as follows:

17 “(1) IN GENERAL.—This section shall not apply  
18 to any obligation issued by a natural person before  
19 June 9, 1997.”.

20 (G) Section 1272(a) is amended—

21 (i) by striking “ON DEBT INSTRU-  
22 MENTS ISSUED AFTER JULY 1, 1982,” in  
23 the heading, and

24 (ii) by striking “issued after July 1,  
25 1982” in paragraph (1).

1 (H) Section 1278(a)(4)(B) is amended by  
2 striking “or (b)(4)”.

3 (I) The amendments made by this para-  
4 graph shall apply to debt instruments issued on  
5 or after July 2, 1982.

6 (2) CERTAIN RULES WITH RESPECT TO  
7 STRIPPED BONDS PURCHASED BEFORE JULY 2,  
8 1982.—

9 (A) Section 1286 is amended by striking  
10 subsection (c).

11 (B) Subsections (a) and (b) of section  
12 1286 are each amended by striking “after July  
13 1, 1982,”.

14 (C) Section 1286(e)(5) is amended by  
15 striking the last sentence.

16 (D) The amendments made by this para-  
17 graph shall apply to bonds purchased on or  
18 after July 2, 1982.

19 (3) CERTAIN RULES WITH RESPECT TO OBLIGA-  
20 TIONS ISSUED BEFORE MARCH 2, 1984.—

21 (A) Section 1272(a)(2) is amended by  
22 striking subparagraph (D) and by redesignating  
23 subparagraph (E) as subparagraph (D).

24 (B) Section 163(e)(4) is amended to read  
25 as follows:

1           “(4) EXCEPTION.—This subsection shall not  
2 apply to any debt instrument described in section  
3 1272(a)(2)(D) (relating to loans between natural  
4 persons).”.

5           (C) The amendments made by this para-  
6 graph shall apply to obligations issued on or  
7 after March 2, 1984.

8           (d) DEADWOOD PROVISIONS INVOLVING REPEAL OF  
9 ONE OR MORE SECTIONS.—

10           (1) ENERGY EFFICIENT APPLIANCE CREDIT.—

11           (A) IN GENERAL.—Subpart D of part IV  
12 of subchapter A of chapter 1 is amended by  
13 striking section 45M (and by striking the item  
14 relating to such section in the table of sections  
15 for such subpart).

16           (B) CONFORMING AMENDMENT.—Section  
17 38(b), as amended by the preceding provisions  
18 of this Act, is amended by striking paragraph  
19 (24) and by redesignating paragraphs (25)  
20 through (36) as paragraphs (24) through (35),  
21 respectively.

22           (2) QUALIFYING THERAPEUTIC DISCOVERY  
23 PROJECT CREDIT.—

24           (A) IN GENERAL.—Subpart E of part IV  
25 of subchapter A of chapter 1 is amended by



1 striking section 48D (and by striking the item  
2 relating to such section in the table of sections  
3 for such subpart).

4 (B) CONFORMING AMENDMENTS.—

5 (i) Section 49(a)(1)(C) is amended by  
6 adding “and” at the end of clause (iv), by  
7 striking “, and” at the end of clause (v)  
8 and inserting a period, and by striking  
9 clause (vi).

10 (ii) Section 50(a)(2)(E) is amended  
11 by striking “48C(b)(2), or 48D(b)(4)” and  
12 inserting “or 48C(b)(2)”.

13 (iii) Section 280C is amended by  
14 striking the subsection (g) which relates to  
15 the qualifying therapeutic discovery project  
16 credit.

17 (C) SAVINGS PROVISION.—In the case of  
18 the repeal of section 48D(e)(1) of the Internal  
19 Revenue Code of 1986, the amendments made  
20 by this paragraph shall not apply to expendi-  
21 tures made in taxable years beginning before  
22 January 1, 2011.

23 (3) DC ZONE PROVISIONS.—

24 (A) IN GENERAL.—Chapter 1 is amended  
25 by striking subchapter W (and by striking the

1 item relating to such subchapter in the table of  
2 subchapters for such chapter).

3 (B) CONFORMING AMENDMENTS.—

4 (i) Section 23(e)(1) is amended by  
5 striking “sections 25D and 1400C” and  
6 inserting “section 25D”.

7 (ii) Section 25(e)(1)(C) is amended by  
8 striking “sections 23, 25D, and 1400C”  
9 and inserting “sections 23 and 25D”.

10 (iii) Section 45D(h) is amended by  
11 striking “sections 1202, 1400B, and  
12 1400F” and inserting “section 1202”.

13 (iv) Section 1016(a) is amended by  
14 striking paragraph (27).

15 (v) Section 1202(a)(2)(B) is amended  
16 by inserting “(as in effect before its re-  
17 peal)” after “1400B(b)”.

18 (vi) Section 1223(13) is amended by  
19 striking “sections 1202(a)(2),  
20 1202(c)(2)(A), 1400B(b), and 1400F(b)”  
21 and inserting “subsections (a)(2) and  
22 (c)(2)(A) of section 1202”.

23 (vii) Section 1397B(b)(1) is amended  
24 by striking subparagraph (B).

1 (C) SAVINGS PROVISIONS.—The amend-  
2 ments made by this paragraph shall not apply  
3 to—

4 (i) in the case of the repeal of section  
5 1400A of the Internal Revenue Code of  
6 1986, obligations described in section 1394  
7 of such Code (as in effect before its repeal)  
8 which were issued before January 1, 2012,

9 (ii) in the case of the repeal of section  
10 1400B of such Code, DC Zone assets (as  
11 defined in such section, as in effect before  
12 its repeal) which were acquired by the tax-  
13 payer before January 1, 2012, and

14 (iii) in the case of the repeal of sec-  
15 tion 1400C of such Code, principal resi-  
16 dences acquired before January 1, 2012.

17 (4) RENEWAL COMMUNITY PROVISIONS.—

18 (A) IN GENERAL.—Chapter 1 is amended  
19 by striking subchapter X (and by striking the  
20 item relating to such subchapter in the table of  
21 subchapters for such chapter).

22 (B) CONFORMING AMENDMENTS.—

23 (i)(I) Section 469(i)(3) is amended by  
24 striking subparagraph (C) and by redesign-  
25 ating subparagraphs (D), (E), and (F) as

1                   subparagraphs (C), (D), and (E), respec-  
2                   tively.

3                   (II) Section 469(i)(3)(D), as so redes-  
4                   ignated, is amended to read as follows:

5                   “(D) ORDERING RULE.—Paragraph (1)  
6                   shall be applied for any taxable year—

7                   “(i) first, to the passive activity loss,

8                   “(ii) second, to the portion of the pas-  
9                   sive activity credit to which subparagraph  
10                  (B) and (C) does not apply,

11                  “(iii) third, to the portion of such  
12                  credit to which subparagraph (B) applies,  
13                  and

14                  “(iv) then, to the portion of such cred-  
15                  it to which subparagraph (C) applies.”.

16                  (III) Section 469(i)(6)(B) is amend-  
17                  ed—

18                         (aa) by striking “, REHABILITA-  
19                         TION CREDIT, OR COMMERCIAL REVI-  
20                         TALIZATION DEDUCTION” in the head-  
21                         ing and inserting “OR REHABILITA-  
22                         TION CREDIT”,

23                         (bb) by adding “or” at the end of  
24                         clause (i),

1 (cc) by striking “, or” at the end  
2 of clause (ii) and inserting a comma,  
3 and

4 (dd) by striking clause (iii).

5 (IV) Section 1397B(b)(1), as amend-  
6 ed by the preceding provisions of this Act,  
7 is amended by adding at the end the fol-  
8 lowing new subparagraph:

9 “(B) REFERENCES.—Any reference in this  
10 paragraph to section 1400F shall be treated as  
11 reference to such section before its repeal.”.

12 (C) SAVINGS PROVISIONS.—The amend-  
13 ments made by this paragraph shall not apply  
14 to—

15 (i) in the case of the repeal of section  
16 1400F of the Internal Revenue Code of  
17 1986, qualified community assets (as de-  
18 fined in such section, as in effect before its  
19 repeal) which were acquired by the tax-  
20 payer before January 1, 2010,

21 (ii) in the case of the repeal section  
22 1400H of such Code, wages paid or in-  
23 curred before January 1, 2010,

24 (iii) in the case of the repeal of sec-  
25 tion 1400I of such Code, qualified revital-

1           ization buildings (as defined in such sec-  
2           tion, as in effect before its repeal) which  
3           were placed in service before January 1,  
4           2010, and

5                   (iv) in the case of the repeal of section  
6           1400J of such Code, property acquired be-  
7           fore January 1, 2010.

8           (5) SHORT-TERM REGIONAL BENEFITS.—

9                   (A) IN GENERAL.—Chapter 1 is amended  
10           by striking subchapter Y (and by striking the  
11           item relating to such subchapter in the table of  
12           subchapters for such chapter).

13                   (B) CONFORMING AMENDMENTS.—

14                   (i) Section 38(b), as amended by the  
15           preceding provisions of this Act, is amend-  
16           ed by striking paragraphs (26), (27), (28),  
17           and (29) and by redesignating paragraphs  
18           (30) through (35) as paragraphs (26)  
19           through (31), respectively.

20                   (ii) Section 38(c)(2)(A)(ii)(II), as  
21           amended by the preceding provisions of  
22           this Act, is amended by striking “, the  
23           New York Liberty Zone business employee  
24           credit,”.

1 (iii) Section 38(c) is amended by  
2 striking paragraph (3).

3 (iv) Section 54(c)(2) is amended by  
4 striking “section 1400N(l),”.

5 (v) Section 280C(a), as amended by  
6 the preceding provisions of this Act, is  
7 amended by striking “1396(a), 1400P(b),  
8 and 1400R” and inserting “and 1396(a)”.

9 (vi) Section 6033(b)(14) is amended  
10 by striking “including the amount and use  
11 of qualified contributions to which section  
12 1400S(a) applies,”.

13 (vii) Section 6049(d)(8)(A) is amend-  
14 ed—

15 (I) by striking “or 1400N(l)(6)”,

16 and

17 (II) by striking “or  
18 1400N(l)(2)(D), as the case may be”.

19 (C) SAVINGS PROVISIONS.—The amend-  
20 ments made by this paragraph shall not apply  
21 to—

22 (i) in the case of the repeal of section  
23 1400L(a) of the Internal Revenue Code of  
24 1986, qualified wages (as defined in such  
25 section, as in effect before its repeal) which

1 were paid or incurred before January 1,  
2 2004,

3 (ii) in the case of the repeal of sub-  
4 sections (b) and (f) of section 1400L of  
5 such Code, qualified New York Liberty  
6 Zone property (as defined in section  
7 1400L(b) of such Code, as in effect before  
8 its repeal) placed in service before January  
9 1, 2010,

10 (iii) in the case of the repeal of sec-  
11 tion 1400L(c) of such Code, qualified New  
12 York Liberty Zone leasehold improvement  
13 property (as defined in such section, as in  
14 effect before its repeal) placed in service  
15 before January 1, 2007,

16 (iv) in the case of the repeal of section  
17 1400L(d) of such Code, qualified New  
18 York Liberty bonds (as defined in such  
19 section, as in effect before its repeal)  
20 issued before January 1, 2014,

21 (v) in the case of the repeal of section  
22 1400L(e) of such Code, advanced  
23 refundings before January 1, 2006,

24 (vi) in the case of the repeal of section  
25 1400L(g) of such Code, property which is



1 compulsorily or involuntarily converted as  
2 a result of the terrorist attacks on Sep-  
3 tember 11, 2001,

4 (vii) in the case of the repeal of sec-  
5 tion 1400N(a) of such Code, obligations  
6 issued before January 1, 2012,

7 (viii) in the case of the repeal of sec-  
8 tion 1400N(b) of such Code, advanced  
9 refundings before January 1, 2011,

10 (ix) in the case of the repeal of section  
11 1400N(d) of such Code, property placed in  
12 service before January 1, 2012,

13 (x) in the case of the repeal of section  
14 1400N(e) of such Code, property placed in  
15 service before January 1, 2009,

16 (xi) in the case of the repeal of sub-  
17 sections (f) and (g) of section 1400N of  
18 such Code, amounts paid or incurred be-  
19 fore January 1, 2008,

20 (xii) in the case of the repeal of sec-  
21 tion 1400N(h) of such Code, amounts paid  
22 or incurred before January 1, 2012,

23 (xiii) in the case of the repeal of sec-  
24 tion 1400N(k)(1)(B) of such Code, losses

1 arising in taxable years beginning before  
2 January 1, 2008,

3 (xiv) in the case of the repeal of sec-  
4 tion 1400N(l) of such Code, bonds issued  
5 before January 1, 2007,

6 (xv) in the case of the repeal of sec-  
7 tion 1400Q(a) of such Code, distributions  
8 before January 1, 2007,

9 (xvi) in the case of the repeal of sec-  
10 tion 1400Q(b) of such Code, contributions  
11 before March 1, 2006,

12 (xvii) in the case of the repeal of sec-  
13 tion 1400Q(c) of such Code, loans made  
14 before January 1, 2007,

15 (xviii) in the case of the repeal of sec-  
16 tion 1400R of such Code, wages paid or  
17 incurred before January 1, 2006,

18 (xix) in the case of the repeal of sec-  
19 tion 1400S(a) of such Code, contributions  
20 paid before January 1, 2006,

21 (xx) in the case of the repeal of sec-  
22 tion 1400T of such Code, financing pro-  
23 vided before January 1, 2011, and

24 (xxi) in the case of the repeal of part  
25 III of subchapter Y of chapter 1 of such

1 Code, obligations issued before January 1,  
2 2011.

3 (6) PROVISIONS RELATED TO COBRA PREMIUM  
4 ASSISTANCE.—

5 (A) IN GENERAL.—Subchapter B of chap-  
6 ter 65 is amended by striking section 6432  
7 (and by striking the item relating to such sec-  
8 tion in the table of sections for such sub-  
9 chapter).

10 (B) NOTIFICATION REQUIREMENT.—Part I  
11 of subchapter B of chapter 68 is amended by  
12 striking section 6720C (and by striking the  
13 item relating to such section in the table of sec-  
14 tions for such part).

15 (C) EXCLUSION FROM GROSS INCOME.—  
16 Part III of subchapter B of chapter 1 is amend-  
17 ed by striking section 139C (and by striking the  
18 item relating to such section in the table of sec-  
19 tions for such part).

20 (e) GENERAL SAVINGS PROVISION WITH RESPECT  
21 TO DEADWOOD PROVISIONS.—If—

22 (1) any provision amended or repealed by the  
23 amendments made by subsection (b) or (d) applied  
24 to—

1 (A) any transaction occurring before the  
2 date of the enactment of this Act,

3 (B) any property acquired before such date  
4 of enactment, or

5 (C) any item of income, loss, deduction, or  
6 credit taken into account before such date of  
7 enactment, and

8 (2) the treatment of such transaction, property,  
9 or item under such provision would (without regard  
10 to the amendments or repeals made by such sub-  
11 section) affect the liability for tax for periods ending  
12 after such date of enactment,

13 nothing in the amendments or repeals made by this section  
14 shall be construed to affect the treatment of such trans-  
15 action, property, or item for purposes of determining li-  
16 ability for tax for periods ending after such date of enact-  
17 ment.

○