

PUBLIC LAW 113-295—DEC. 19, 2014

TAX INCREASE PREVENTION AMENDMENTS

Public Law 113–295
113th Congress

An Act

Dec. 19, 2014
[H.R. 5771]

To amend the Internal Revenue Code of 1986 to extend certain expiring provisions and make technical corrections, to amend the Internal Revenue Code of 1986 to provide for the tax treatment of ABLE accounts established under State programs for the care of family members with disabilities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Tax Increase
Prevention Act
of 2014.

**DIVISION A—TAX INCREASE
PREVENTION ACT OF 2014**

SECTION 1. SHORT TITLE, ETC.

26 USC 1 note.

(a) **SHORT TITLE.**—This division may be cited as the “Tax Increase Prevention Act of 2014”.

(b) **AMENDMENT OF 1986 CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

DIVISION A—TAX INCREASE PREVENTION ACT OF 2014

Sec. 1. Short title, etc.

TITLE I—CERTAIN EXPIRING PROVISIONS

Subtitle A—Individual Tax Extenders

- Sec. 101. Extension of deduction for certain expenses of elementary and secondary school teachers.
- Sec. 102. Extension of exclusion from gross income of discharge of qualified principal residence indebtedness.
- Sec. 103. Extension of parity for employer-provided mass transit and parking benefits.
- Sec. 104. Extension of mortgage insurance premiums treated as qualified residence interest.
- Sec. 105. Extension of deduction of State and local general sales taxes.
- Sec. 106. Extension of special rule for contributions of capital gain real property made for conservation purposes.
- Sec. 107. Extension of above-the-line deduction for qualified tuition and related expenses.
- Sec. 108. Extension of tax-free distributions from individual retirement plans for charitable purposes.

Subtitle B—Business Tax Extenders

- Sec. 111. Extension of research credit.
- Sec. 112. Extension of temporary minimum low-income housing tax credit rate for non-federally subsidized buildings.
- Sec. 113. Extension of military housing allowance exclusion for determining whether a tenant in certain counties is low-income.

- Sec. 114. Extension of Indian employment tax credit.
- Sec. 115. Extension of new markets tax credit.
- Sec. 116. Extension of railroad track maintenance credit.
- Sec. 117. Extension of mine rescue team training credit.
- Sec. 118. Extension of employer wage credit for employees who are active duty members of the uniformed services.
- Sec. 119. Extension of work opportunity tax credit.
- Sec. 120. Extension of qualified zone academy bonds.
- Sec. 121. Extension of classification of certain race horses as 3-year property.
- Sec. 122. Extension of 15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements.
- Sec. 123. Extension of 7-year recovery period for motorsports entertainment complexes.
- Sec. 124. Extension of accelerated depreciation for business property on an Indian reservation.
- Sec. 125. Extension of bonus depreciation.
- Sec. 126. Extension of enhanced charitable deduction for contributions of food inventory.
- Sec. 127. Extension of increased expensing limitations and treatment of certain real property as section 179 property.
- Sec. 128. Extension of election to expense mine safety equipment.
- Sec. 129. Extension of special expensing rules for certain film and television productions.
- Sec. 130. Extension of deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.
- Sec. 131. Extension of modification of tax treatment of certain payments to controlling exempt organizations.
- Sec. 132. Extension of treatment of certain dividends of regulated investment companies.
- Sec. 133. Extension of RIC qualified investment entity treatment under FIRPTA.
- Sec. 134. Extension of subpart F exception for active financing income.
- Sec. 135. Extension of look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company rules.
- Sec. 136. Extension of temporary exclusion of 100 percent of gain on certain small business stock.
- Sec. 137. Extension of basis adjustment to stock of S corporations making charitable contributions of property.
- Sec. 138. Extension of reduction in S-corporation recognition period for built-in gains tax.
- Sec. 139. Extension of empowerment zone tax incentives.
- Sec. 140. Extension of temporary increase in limit on cover over of rum excise taxes to Puerto Rico and the Virgin Islands.
- Sec. 141. Extension of American Samoa economic development credit.

Subtitle C—Energy Tax Extenders

- Sec. 151. Extension of credit for nonbusiness energy property.
- Sec. 152. Extension of second generation biofuel producer credit.
- Sec. 153. Extension of incentives for biodiesel and renewable diesel.
- Sec. 154. Extension of production credit for Indian coal facilities placed in service before 2009.
- Sec. 155. Extension of credits with respect to facilities producing energy from certain renewable resources.
- Sec. 156. Extension of credit for energy-efficient new homes.
- Sec. 157. Extension of special allowance for second generation biofuel plant property.
- Sec. 158. Extension of energy efficient commercial buildings deduction.
- Sec. 159. Extension of special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities.
- Sec. 160. Extension of excise tax credits relating to certain fuels.
- Sec. 161. Extension of credit for alternative fuel vehicle refueling property.

Subtitle D—Extenders Relating to Multiemployer Defined Benefit Pension Plans

- Sec. 171. Extension of automatic extension of amortization periods.
- Sec. 172. Extension of shortfall funding method and endangered and critical rules.

TITLE II—TECHNICAL CORRECTIONS

- Sec. 201. Short title.
- Sec. 202. Amendments relating to American Taxpayer Relief Act of 2012.
- Sec. 203. Amendment relating to Middle Class Tax Relief and Job Creation Act of 2012.

26 USC 45L note. (b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to homes acquired after December 31, 2013.

SEC. 157. EXTENSION OF SPECIAL ALLOWANCE FOR SECOND GENERATION BIOFUEL PLANT PROPERTY.

26 USC 168. (a) **IN GENERAL.**—Subparagraph (D) of section 168(1)(2) is amended by striking “January 1, 2014” and inserting “January 1, 2015”.

26 USC 168 note. (b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property placed in service after December 31, 2013.

SEC. 158. EXTENSION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.

(a) **IN GENERAL.**—Subsection (h) of section 179D is amended by striking “December 31, 2013” and inserting “December 31, 2014”.

26 USC 179D note. (b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property placed in service after December 31, 2013.

SEC. 159. EXTENSION OF SPECIAL RULE FOR SALES OR DISPOSITIONS TO IMPLEMENT FERC OR STATE ELECTRIC RESTRUCTURING POLICY FOR QUALIFIED ELECTRIC UTILITIES.

(a) **IN GENERAL.**—Paragraph (3) of section 451(i) is amended by striking “January 1, 2014” and inserting “January 1, 2015”.

26 USC 451 note. (b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to dispositions after December 31, 2013.

SEC. 160. EXTENSION OF EXCISE TAX CREDITS RELATING TO CERTAIN FUELS.

(a) **EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIXTURES.**—

(1) Paragraph (6) of section 6426(c) is amended by striking “December 31, 2013” and inserting “December 31, 2014”.

(2) Subparagraph (B) of section 6427(e)(6) is amended by striking “December 31, 2013” and inserting “December 31, 2014”.

(b) **EXTENSION OF ALTERNATIVE FUELS EXCISE TAX CREDITS.**—

(1) **IN GENERAL.**—Sections 6426(d)(5) and 6426(e)(3) are each amended by striking “December 31, 2013” and inserting “December 31, 2014”.

(2) **OUTLAY PAYMENTS FOR ALTERNATIVE FUELS.**—Subparagraph (C) of section 6427(e)(6) is amended by striking “December 31, 2013” and inserting “December 31, 2014”.

(c) **EXTENSION OF ALTERNATIVE FUELS EXCISE TAX CREDITS RELATING TO LIQUEFIED HYDROGEN.**—

(1) **IN GENERAL.**—Sections 6426(d)(5) and 6426(e)(3), as amended by subsection (b), are each amended by striking “(September 30, 2014 in the case of any sale or use involving liquefied hydrogen)”.

(2) **OUTLAY PAYMENTS FOR ALTERNATIVE FUELS.**—Paragraph (6) of section 6427(e) is amended—

(A) by striking “except as provided in subparagraph (D), any” in subparagraph (C), as amended by this Act, and inserting “any”,

(B) by striking the comma at the end of subparagraph (C) and inserting “, and”, and

(C) by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

26 USC 6426 note.

(d) **EFFECTIVE DATES.**—