

116TH CONGRESS
2D SESSION

H. R. 6884

To clarify for purposes of the Internal Revenue Code of 1986 that receipt of coronavirus assistance does not affect the tax treatment of ordinary business expenses.

IN THE HOUSE OF REPRESENTATIVES

MAY 15, 2020

Mr. NEWHOUSE introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To clarify for purposes of the Internal Revenue Code of 1986 that receipt of coronavirus assistance does not affect the tax treatment of ordinary business expenses.

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.**

4 This Act may be cited as the “Fixing the Income
5 Ramifications for Small Businesses and Tax Relief Act”
6 or the “FIRST Act”.

1 **SEC. 2. CLARIFICATION OF TREATMENT OF BUSINESS EX-**
2 **PENSES.**

3 (a) **IN GENERAL.**—Subsection (i) of section 1106 of
4 the CARES Act (Public Law 116–136) is amended—

5 (1) by striking “1986, any amount” and insert-
6 ing “1986—

7 “(1) any amount”;

8 (2) by striking the period at the end and insert-
9 ing “, and”; and

10 (3) by adding at the end the following new
11 paragraph:

12 “(2) no deduction shall be denied or reduced,
13 no tax attribute shall be reduced, and no basis in-
14 crease shall be denied, by reason of the exclusion
15 from gross income provided by paragraph (1).”.

16 (b) **EFFECTIVE DATE.**—The amendments made by
17 this section shall apply as if included in the enactment
18 of section 1106 of the CARES Act (Public Law 116–136).

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