

**Taxpayer Certainty and Disaster Tax Relief Act of 2019**  
**Retroactive Extension of Provisions That Had Expired**

| <i>Item</i>   | <i>IRC §</i>  | <i>Effective Date</i>                               | <i>QF Page<sup>1</sup></i> | <i>New Law</i>   | <i>Before Law Change</i>  |
|---|---------------|---|----------------------------|--|---|
| <b>Individual Deductions and Exclusions</b>   |               |   |                            |  |   |
| <b>Cancellation of Debt (COD)—Mortgage Debt</b>   | 108(a)(1)(E)  | 2018–2020 (or later with written binding agreement) | 7-23                       | Individuals can exclude up to \$2 million (\$1 million for MFS) of COD income from qualified principal residence indebtedness that is canceled because of their financial condition or decline in value of the residence. Debt canceled after 12/31/20 qualifies if discharged pursuant to a written binding agreement entered into before 1/1/21. | Exclusion expired on 12/31/17.  |
| <b>Medical Expense Deduction</b>  | 213(f)        | 2019–2020   | 5-1                        | The threshold for medical expense deductions is 7.5%-of-AGI instead of 10%-of-AGI.   | The threshold was 10%-of-AGI after 2018.  |
| <b>Mortgage Insurance Premiums Deduction</b>  | 163(h)(3)(E)  | 2018–2020   | 5-12                       | Taxpayers with AGI no greater than \$109,000 can treat qualified mortgage insurance premiums as home mortgage interest.  | Deduction expired on 12/31/17.  |
| <b>Tuition and Fees Deduction</b>   | 222(e)        | 2018–2020   | 13-6                       | Individuals can claim an above-the-line deduction for up to \$4,000 of tuition and fees for qualified higher education expenses, subject to MAGI based limits.   | Deduction expired on 12/31/17.  |
| <b>Business Property</b>  |               |   |                            |  |   |
| <b>Energy-Efficient Commercial Buildings Deduction</b>  | 179D(h)       | Property placed in service in 2018–2020             | O-6                        | A business can deduct, rather than capitalize and depreciate, all or part of the cost of energy efficient commercial building property.  | The deduction expired for property placed in service after 2017.  |
| <b>Film, Television, and Theatrical Productions</b>   | 181(g)        | Productions commencing in 2018–2020                 | —                          | Taxpayers may deduct up to \$15 million (\$20 million for certain areas) of the cost of a qualifying film, television, or theatrical production.   | Provision expired for productions commencing after 2017.  |
| <b>Motorsports Entertainment Complexes</b>  | 168(i)(15)(D) | Property placed in service in 2018–2020             | —                          | The Act extends the seven-year recovery period for motorsports entertainment complexes to property placed in service during 2018–2020.   | The seven-year recovery period expired for such complexes placed in service after 2017.                       |
| <b>Qualified Indian Reservation Property</b>  | 168(j)(9)     | Property placed in service in 2018–2020             | —                          | The Act extends accelerated cost recovery for qualified Indian reservation property to property placed in service during 2018–2020.  | Accelerated cost recovery expired for such property placed in service after 2017.                             |
| <b>Race Horses—3-Year Property</b>  | 168(e)(3)     | Property placed in service in 2018–2020             | 10-11, J-2                 | A race horse, regardless of age when placed in service, is treated as three-year property.   | The three-year recovery period expired for race horses two years old or younger placed in service after 2017. |
| <b>Special (Bonus) Depreciation—Second Generation Biofuel Plant Property</b>  | 168(l)(2)(D)  | Property placed in service in 2018–2020             | —                          | The Act extends the 50% additional first-year depreciation deduction for qualified property to property placed in service in 2018–2020.<br><b>Note:</b> This provision is separate from bonus depreciation under Section 168(k). Property qualifying under Section 168(k) is not eligible for this provision.                                      | The 50% additional first-year depreciation deduction expired for property placed in service after 2017.       |
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| <b>Tax Credits</b>  |                |   |                            |  |  |
| <b>Alternative Fuel Vehicle Refueling Property Credit</b> | 30C(g)         | Property placed in service in 2018–2020 | O-5                        | Certain alternative fuel vehicle refueling property qualifies for a credit. Business and personal-use property both qualify for the credit. The Act extends the credit through 2020.   | Credit expired for property placed in service after 2017.  |
| <b>Alternative Motor Vehicle Credit</b>                   | 30B(b) and (k) | Vehicles purchased in 2018–2020         | 11-6, O-5                  | The Act extends the credit for vehicles propelled by chemically combining oxygen with hydrogen and creating electricity (“fuel cell motor vehicles”).  | Credit expired for vehicles purchased after 2017.          |
| <b>American Samoa Economic Development Credit</b>         | N/A            | 2018–2020                               | —                          | Certain corporations in American Samoa may claim a credit against U.S. corporate income tax.   | Credit expired for tax years beginning after 2017.         |
| <b>Biodiesel and Renewable Diesel Fuels Credit</b>        | 40A(g)         | Fuel sold or used in 2018–2022          | O-7                        | A credit is available for (1) biodiesel used in the production of biodiesel mixture, (2) use of biodiesel in a trade or business or sale at retail, and (3) production of qualified agri-biodiesel.  | Credit expired for fuel sold or used after 2017.           |
| <b>Biofuel Producer Credit</b>                            | 40(b)(6)       | Production in 2018–2020                 | O-7                        | Producers of second generation biofuel can claim a credit generally equal to \$1.01 for each gallon produced.  | Credit expired for production after 2017.                  |
| <b>Electricity From Renewable Resources Credit</b>        | 45(d)          | 2018–2020                               | —                          | A credit is allowed for the production of electricity from qualified energy resources (such as wind and solar energy) at qualified facilities.   | Credit expired on 12/31/17 (12/31/19 for wind facilities). |
| <b>Employer Credit for Paid Family and Medical Leave</b>  | 45S(i)         | 2020                                    | O-7                        | Eligible employers are allowed a credit of 12.5% of the amount of wages paid to qualifying employees who are on family and medical leave, if the employer pays 50% of the wages normally paid to the employee. The credit is increased by 0.25 percentage points (but not above 25%) for each percentage point the wages paid to the employee exceed 50% of the employee’s normal wages. | Credit expired for tax years beginning after 2019.         |
| <b>Excise Tax Credits for Certain Fuels</b>               | 6426<br>6427   | 2018–2020 or 2018–2022                  | —                          | Credits can offset excise taxes if certain fuels are sold, produced, or not used for tax purposes.   | Credits expired on 12/31/17.                               |
| <b>Health Insurance Costs Credit</b>                      | 35(b)          | 2020                                    | 4-27                       | Eligible individuals may claim a refundable health coverage tax credit equal to 72.5% of the amount paid for qualified health insurance coverage of the individual and qualifying family members.  | Credit expired on 12/31/19.                                |
| <b>Indian Coal Production Credit</b>                      | 45(e)(10)      | 2018–2020                               | —                          | Producers of Indian coal at Indian coal facilities may claim a credit during the 15-year period beginning on 1/1/06.   | Credit expired on 12/31/17.                                |
| <b>Indian Employment Credit</b>                           | 45A(f)         | Tax years beginning in 2018–2020        | O-7                        | A 20% credit allowed for qualified wages and health insurance costs paid over a base amount to certain Indian tribe members or spouses.  | Credit expired for tax years beginning after 2017.         |
| <b>Mine Rescue Team Training Credit</b>                   | 45N(e)         | 2018–2020                               | —                          | Employers that train mine rescue teams may claim a credit equal to the lesser of 20% of eligible wages or \$10,000 per eligible employee.  | Credit expired on 12/31/17.                                |
| <b>New Energy Efficient Homes Credit</b>                  | 45L(g)         | Homes acquired in 2018–2020             | O-6                        | A credit is available to the seller of homes that meet certain energy efficiency standards.  | Credit expired on 12/31/17.                                |

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| <b>Tax Credits (Continued)</b>  |              |   |                            |  |  |
| <b>New Markets Credit</b>   | 45D(f)       | 2020                                    | O-7                        | A credit is available for qualified equity investments in a Qualified Community Development Entity that has received a new markets credit allocation. For 2020, the allocation is \$5 billion. Credit carryovers are permitted through 2025. | Credit expired on 12/31/19.  |
| <b>Personal Energy Property Credit</b>                                  | 25C(g)       | Property placed in service in 2018–2020 | 12-12                      | A credit (subject to a \$500 lifetime cap) is available for qualified energy efficiency improvements and expenditures to a taxpayer's principal residence.   | Credit expired on 12/31/17.  |
| <b>Railroad Track Maintenance Credit</b>                                | 45G(f)       | Tax years beginning in 2018–2022        | —                          | Class II and Class III railroads and certain assignees may claim a 50% credit for qualified railroad track maintenance expenditures.   | Credit expired for tax years beginning after 12/31/17.                 |
| <b>Two-Wheeled Plug-In Electric Vehicles Credit</b>                     | 30D(g)       | Vehicles acquired in 2018–2020          | O-6                        | The Act extends the credit for electric motorcycles acquired in 2018–2020.   | Credit expired on 12/31/17.  |
| <b>Work Opportunity Credit</b>  | 51(c)(4)     | Workers who begin work in 2020          | O-7                        | A credit is available to employers that hire members of one or more targeted groups.   | Credit expired for workers who began work after 2019.                  |
| <b>Other Business Provisions</b>  |              |   |                            |  |  |
| <b>Beer, Wine, and Distilled Spirits</b>                                | Various      | 2020                                    | —                          | Certain excise taxes related to beer, wine, and distilled spirits are reduced.   | Provisions expired after 2019.   |
| <b>Black Lung Disability Trust Fund Excise Tax</b>                      | 4121(e)(2)   | 2019–2020                               | —                          | An excise tax is imposed at an increased rate on coal mined from underground or surface mines located in the U.S. and sold or used by the producer.  | Increased rate expired after 2018.                                     |
| <b>Controlled Foreign Corporations</b>                                  | 954(c)(6)    | Tax years beginning in 2020             | —                          | Look-through treatment is provided for payments of dividends, interest, rents, and royalties between related controlled foreign corporations.  | Provision expired for tax years beginning after 2019.                  |
| <b>Empowerment Zone Tax Incentives</b>                                  | 1391(d)(1)   | Tax years beginning in 2018–2020        | O-7                        | The Empowerment Zone designation is available through 12/31/20; therefore, tax incentives for such areas, including the Section 1396 wage credit, are available.   | The availability of the Empowerment Zone designation expired 12/31/17. |
| <b>Oil Spill Liability Trust Fund Rate</b>                              | 4611(f)(2)   | 2019–2020                               | —                          | An environmental excise tax on crude oil received at U.S. refineries and on certain imported petroleum products is imposed at a rate of nine cents per barrel.   | Provision expired after 2018.  |
| <b>Sales or Dispositions to Implement Electric Restructuring Policy</b> | 451(k)(3)    | 2018–2020                               | —                          | A taxpayer can elect to defer recognizing qualified gain from a qualifying electric transmission transaction.  | Provision expired after 2017.  |

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