

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 Page¹</i>	<i>New Law</i>	<i>Before Law Change</i>
Individual Deductions and Exclusions					
Cancellation of Debt (COD)—Mortgage Debt	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.
Medical Expense Deduction	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.
Mortgage Insurance Premiums Deduction	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.
Tuition and Fees Deduction	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.
Business Property					
Energy-Efficient Commercial Buildings Deduction	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.
Film, Television, and Theatrical Productions	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.
Motorsports Entertainment Complexes	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.
Qualified Indian Reservation Property	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.
Race Horses—3-Year Property	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.
Special (Bonus) Depreciation—Second Generation Biofuel Plant Property	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. Note: 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.
¹ Numerical references are to the 2019 1040 Quickfinder® Handbook; alphanumeric references are to the 2019 Small Business Quickfinder® Handbook.					

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Tax Credits					
Alternative Fuel Vehicle Refueling Property Credit	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.
Alternative Motor Vehicle Credit	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.
American Samoa Economic Development Credit	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.
Biodiesel and Renewable Diesel Fuels Credit	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.
Biofuel Producer Credit	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.
Electricity From Renewable Resources Credit	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).
Employer Credit for Paid Family and Medical Leave	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.
Excise Tax Credits for Certain Fuels	6426 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.
Health Insurance Costs Credit	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.
Indian Coal Production Credit	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.
Indian Employment Credit	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.
Mine Rescue Team Training Credit	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.
New Energy Efficient Homes Credit	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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Tax Credits (Continued)					
New Markets Credit	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.
Personal Energy Property Credit	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.
Railroad Track Maintenance Credit	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.
Two-Wheeled Plug-In Electric Vehicles Credit	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.
Work Opportunity Credit	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.
Other Business Provisions					
Beer, Wine, and Distilled Spirits	Various	2020	—	Certain excise taxes related to beer, wine, and distilled spirits are reduced.	Provisions expired after 2019.
Black Lung Disability Trust Fund Excise Tax	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.
Controlled Foreign Corporations	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.
Empowerment Zone Tax Incentives	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.
Oil Spill Liability Trust Fund Rate	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.
Sales or Dispositions to Implement Electric Restructuring Policy	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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