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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To exclude certain amounts relating to compensating victims of the Texas Panhandle fires, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. JACKSON of Texas introduced the following bill; which was referred to the Committee on _____

A BILL

To exclude certain amounts relating to compensating victims of the Texas Panhandle fires, 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.**

4 This Act may be cited as the “Wildfire Victim Tax
5 Relief and Recovery Act”.

6 **SEC. 2. TEXAS PANHANDLE FIRE DISASTER RELIEF PAY-**
7 **MENTS.**

8 (a) IN GENERAL.—Texas Panhandle fire payments
9 shall be treated as qualified disaster relief payments for

1 purposes of section 139(b) of the Internal Revenue Code
2 of 1986.

3 (b) TEXAS PANHANDLE FIRE PAYMENTS.—For pur-
4 poses of this section, the term “Texas Panhandle fire pay-
5 ment” means any amount received by or on behalf of an
6 individual as compensation for loss, damages, expenses,
7 loss in real property value, closing costs with respect to
8 real property (including realtor commissions), or inconven-
9 ience (including access to real property) resulting from
10 any Texas Panhandle fire if such amount was provided
11 by—

12 (1) a Federal, State, or local government agen-
13 cy,

14 (2) Xcel Energy, or

15 (3) any subsidiary, insurer, or agent of Xcel
16 Energy or any related person.

17 (c) TEXAS PANHANDLE FIRE.—For purposes of this
18 section, the term “Texas Panhandle fire” means any of
19 the following wildfires:

20 (1) The Smokehouse Creek Fire that ignited in
21 Hutchinson County, Texas, on February 26, 2024.

22 (2) The Windy Deuce Fire that ignited in
23 Moore County, Texas, on February 26, 2024.

24 (3) The Grape Vine Creek Fire that ignited in
25 Gray County, Texas, on February 26, 2024.

1 (4) The 687 Reamer Fire that ignited in
2 Hutchinson County, Texas, on February 27, 2024.

3 (5) The Roughneck Fire that ignited in Hutch-
4 inson County, Texas, on March 3, 2024.

5 (d) EFFECTIVE DATE.—This section shall apply to
6 amounts received on or after February 26, 2024.

7 **SEC. 3. INVOLUNTARY CONVERSIONS OF LIVESTOCK.**

8 (a) LIVESTOCK SOLD ON ACCOUNT OF FIRE.—

9 (1) IN GENERAL.—Section 1033(e)(1) of the
10 Internal Revenue Code of 1986 is amended by in-
11 sserting “fire” after “flood”.

12 (2) EXTENSION OF REPLACEMENT PERIOD.—
13 Section 1033(e)(2) of such Code is amended by in-
14 sserting “fire” after “flood”.

15 (3) CONFORMING AMENDMENT.—The heading
16 for section 1033(e) of such Code is amended by in-
17 sserting “FIRE” after “FLOOD”.

18 (b) REPLACEMENT OF LIVESTOCK WITH OTHER
19 PROPERTY.—Section 1033(f) of such Code is amended by
20 inserting “fire” after “flood”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2023.

1 **SEC. 4. PROCEEDS FROM LIVESTOCK SOLD ON ACCOUNT**
2 **OF FIRE.**

3 (a) **IN GENERAL.**—Section 451(g) of the Internal
4 Revenue Code of 1986 is amended by inserting “fire”
5 after “flood”.

6 (b) **CONFORMING AMENDMENT.**—The heading for
7 section 451(g) of such Code is amended by inserting
8 “FIRE” after “FLOOD”.

9 (c) **EFFECTIVE DATE.**—The amendments made by
10 this section shall apply to taxable years beginning after
11 December 31, 2023.