An Analysis of Changes in Federal Tax Laws for the Year **2014**

Prepared by the Taxation Strategic Committee
Oregon Society of CPAs

Oregon Society of Certified Public Accountants

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Introduction

On behalf of the Oregon Society of CPAs' Taxation Strategic Committee, it is with honor and pleasure we present to you an Analysis of Changes in Federal Tax Laws for 2014.

Oregon Society of CPAs (OSCPA) Legislative Analysis

This OSCPA Legislative Analysis presents all Federal tax law changes that have been enacted since the Legislature adjourned from the 2013 session. Oregon has a long history of conforming to the Internal Revenue Code, but in doing so each Legislative Assembly analyzes the implications of Federal law changes that have been enacted since the last legislative session. Our committee has been presenting the Legislature with this analysis for many years. Our primary objective is to be a technical resource for the Legislature and, secondarily, to promote taxpayer compliance by striving to keep Oregon tax law tied to the Internal Revenue Code. This connection is accomplished by using both a "fixed date conformity" and a "permanent connection."

Oregon's "permanent connection" applies only to the definition of taxable income. Typically, we will recommend that Federal changes to provisions that fall outside the definition of taxable income also be changed to conform to the Internal Revenue Code. Some examples of the types of items requiring a law change are tax credits, estimated tax provisions and net operating loss rules. Many of these provisions are currently tied to definitions in the Internal Revenue Code as of Dec. 31, 2013, and the tie date should generally be updated to Dec 31, 2014.

For years beginning on or after Jan. 1, 2011, Oregon is permanently connected to the Internal Revenue Code for the definition of Federal taxable income. In past Legislative sessions, Oregon specifically disconnected from the following Federal taxable income provisions:

1) The domestic production activities deduction (otherwise known as the manufacturing or section 199 deduction).

2) The exclusion from income for Federal subsidies for prescription drugs.

Recommendations Key

A

General reconnect: Oregon automatically reconnects to the Federal change. Oregon generally subscribes to the provisions being amended, and therefore, we do not recommend any change. No modification is necessary to tie to the Federal change.

B

No ORS change necessary: No change is necessary to the ORS. This provision affects a credit, penalty or administrative rule which applies only to the Federal tax system, does not apply to the determination of taxable income, or is automatically modified by provisions in the ORS. Oregon does not automatically adopt these provisions, however, no modification of ORS is necessary.

C

ORS change necessary: A change to the ORS is necessary in order to conform to this Federal provision. To increase taxpayer compliance, it is recommended that Oregon Statutes be amended to conform as closely as possible to this change.

E

These Acts reference the tax code, but the majority of the provisions do not impact income tax law. We have not analyzed these Acts in full and have noted with an asterisk (*) items that may be of interest and warrant further consideration by Oregon. We have analyzed any relevant tax provisions and they are included in Recommendations A through C above.

Section A

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Code Section	Topic	Law Before Act	Law After Act	Effective Date
Tax Increase Prevention Act of 2014				
30C(e)(1)	Basis reduction for the credit for qualified alternative fuel vehicle refueling property is determined without regard to the coordination rules with other credits.	Federal law provided a tax credit for the cost of alternative fuel vehicle refueling property. The basis in the property, such as for depreciation, is reduced by the amount of the credit.	The basis rules were revised retroactively. Since the credit only impacts Federal tax, Oregon law provides an automatic basis adjustment whenever the Federal basis is reduced by the amount of a Federal credit.	Property placed in service after Dec. 31, 2005.
30D(e) & (f)	The credit for certain electric vehicles is retroactively clarified regarding basis reduction, double tax benefits, certain users and business credit status.	Federal law provided a tax credit for the cost of certain electric vehicles.	Several of the rules were retroactively clarified, including the basis rules. Oregon law provides an automatic basis adjustment whenever it is reduced by the amount of a credit.	Vehicles acquired after Dec. 31, 2009.
38(b)(36)	Pre-Jan. 1, 2012 credit for certain electric vehicles is retroactively clarified regarding basis reduction, double tax benefits, certain users and business credit status.	Federal law provided a tax credit for the cost of certain electric vehicles.	Several of the rules were retroactively clarified, including the basis rules. Oregon law provides an automatic basis adjustment whenever it is reduced by the amount of a credit.	Vehicles acquired after Dec. 31, 2009.
62(a)(2)(D)	Up-to-$250 above-the-line deduction for teachers' out-of-pocket classroom-related expenses is retroactively extended to apply through 2014.	Eligible educators are allowed an above-the-line deduction of up to $250 for out-of-pocket expenses they paid in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services), other equipment, and supplementary materials used in the classroom. Under pre-2014 Tax Increase Prevention Act law, the deduction for eligible educator expenses was available in tax years beginning during 2002 through 2013.	The 2014 Tax Increase Prevention Act adds that the deduction for eligible educator expenses is available for tax years beginning in 2014.	Tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.

Section A

Code Section	Topic	Law Before Act	Law After Act	Effective Date
108(a)(1)(E)	Exclusion of home mortgage forgiveness from debt discharge income is retroactively extended through 2014.	A discharge of indebtedness generally gives rise to gross income, known as “debt discharge income” or “cancellation of debt (COD) income." Under a “mortgage forgiveness exclusion,” any debt discharge income resulting from a discharge (in whole or in part) of “qualified principal residence indebtedness” is excluded from gross income. The basis of the residence is reduced, but not below zero, by the excluded debt discharge income. Under pre-2014 Tax Increase Prevention Act law, the mortgage forgiveness exclusion applied to indebtedness discharged before Jan. 1, 2014.	Under the 2014 Tax Increase Prevention Act, the mortgage forgiveness exclusion will apply to indebtedness discharged before Jan. 1, 2015.	Discharges of indebtedness after Dec. 31, 2013 and before Jan. 1, 2015.
121(d)(12)(B)	Rules relating to a Peace Corps employee's (or volunteer's) election to suspend the five-year ownership and use period for purposes of the homesale exclusion are clarified.	A taxpayer generally can exclude up to $250,000 ($500,000 for certain married couples filing joint returns) of gain realized on the sale or exchange of a principal residence. To be eligible for the exclusion, the taxpayer has to have owned the residence and used it as a principal residence for at least two years of the five-year period ending on the date of the sale or exchange. At the election of an individual with respect to a property (i.e., a principal residence), the running of the five-year ownership and use period with respect to the property is suspended during any period that the individual or the individual's spouse is serving outside the U.S.: • on qualified official extended duty as an employee of the Peace Corps; or • as an enrolled volunteer or volunteer leader under Section 5 or Section 6 (as the case may be) of the Peace Corps Act.	The 2014 Tax Increase Prevention Act clarifies the rules and indicates that the maximum period for the suspension is ten years, that the suspension election is limited to one property at a time, and that the suspension election can be revoked at any time.	Tax years beginning after Dec. 31, 2007.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
125(b)(2)	Cafeteria plan key employee concentration test now geared to "qualified benefits" instead of "statutory nontaxable benefits."	Under pre-2014 Tax Increase Prevention Act law, the Code Section 125(b)(2) key employee concentration test provided that a plan did not discriminate in favor of key employees if statutory nontaxable benefits provided to key employees did not exceed 25% of the statutory nontaxable benefits provided to all employees. Statutory nontaxable benefits are “qualified benefits” that are excluded from gross income (for example, an employer-provided accident and health plan excludible under Code Section 106, or a dependent care assistance program excludible under Code Section 125). Statutory nontaxable benefits also include group-term life insurance on the life of an employee includible in the employee's gross income solely because the coverage exceeds the limit in Code Section 79(a). A qualified benefit is any benefit that: • with the exemption from the constructive receipt rules in Code Section 125(a), is not includible in an employee's gross income under a specific Code Section governing regular income taxes and surtaxes; • does not defer the receipt of compensation, with certain exceptions; and • is not among the nontaxable benefits specifically excluded from the definition of qualified benefits.	The 2014 Tax Increase Prevention Act amends the key employee concentration test by referencing “qualified benefits,” rather than “statutory nontaxable benefits.” Thus, the key employee concentration test now provides that the income exclusion for benefits received under a cafeteria plan is not available for key employees if qualified benefits provided to key employees exceeds 25% of the qualified benefits provided to all employees.	Dec. 19, 2014.
125(h)(1)	Accident or health plans can provide for "qualified reservist distributions."	Under the cafeteria plan rules, a special rule applies to unused benefits in health flexible spending arrangements (health FSAs) of individuals called to active duty in the armed forces. Under this special rule, a plan or other arrangement does not fail to be treated as a cafeteria plan, or a health FSA, merely because the plan provides for “qualified reservist distributions” (QRDs). For purposes of the taxation or exclusion of amounts received through accident or health insurance under Code Section 105, amounts received under an accident or health plan are treated as received through accident and health insurance.	The 2014 Tax Increase Prevention Act provides that a plan or other arrangement also does not fail to be treated as an accident or health plan merely because the plan provides for QRDs.	Distributions made after June 17, 2008.

Section A

Code Section	Topic	Law Before Act	Law After Act	Effective Date
132(f)(2)	Parity extended retroactively through 2014 for employer-provided mass transit and parking benefits.	For months beginning before Feb. 17, 2009, an employer could exclude from an employee's income a statutory amount of up to $100 a month ($120, as adjusted for inflation for 2009) for qualified transportation fringe benefits that the employer provided through transit passes and vanpooling. Prior legislation temporarily raised the excludable amount to provide parity for these benefits with employer-provided parking benefits, which are excluded up to a statutory amount of $175 a month ($245, as adjusted for inflation for 2013), for months beginning before Jan. 1, 2014. Before the 2014 Tax Increase Prevention Act, there was no such parity for 2014 when the monthly exclusion was only $130 for employer-provided transit and vanpooling benefits, while being $250 for qualified parking.	The 2014 Tax Increase Prevention Act extends parity for the entire 2014 tax year. Thus, for any month beginning before Jan. 1, 2015 (i.e., in 2014), the monthly exclusion limitation for employer-provided transit and vanpooling benefits is the same as for employer-provided parking.	For months in 2014.
163(h)(3)(E)(iv)(I)	Mortgage insurance premium deduction is retroactively extended through 2014.	Premiums paid or accrued during the tax year for qualified mortgage insurance in connection with acquisition indebtedness for the taxpayer's main or second home are treated as qualified residence interest, and so are deductible. Under pre-2014 Tax Increase Prevention Act law, the rules treating qualified mortgage insurance premiums as deductible qualified residence interest didn't apply to: • amounts paid or accrued after Dec. 31, 2013; or • amounts properly allocable to any period after Dec. 31, 2013.	Under the 2014 Tax Increase Prevention Act, the rules that treat qualified mortgage insurance premiums as deductible qualified residence interest won't apply to amounts that are paid or accrued after Dec. 31, 2014, or to amounts properly allocable to any period after Dec. 31, 2014.	Amounts paid or accrued after Dec. 31, 2013 and before Jan. 1, 2015.
168(e)(3)(A)(i)	Three-year MACRS depreciation will apply retroactively to all race horses placed in service before Jan. 1, 2015.	Under pre-2014 Tax Increase Prevention Act law, a race horse had a three-year recovery period if it was: • placed in service before Jan. 1, 2014; or • placed in service after Dec. 31, 2013, and was more than two years old at the time that it was placed in service by the purchaser. A race horse that is ineligible for a three-year recovery period has a seven-year recovery period.	Under the 2014 Tax Increase Prevention Act, a race horse will have a three-year recovery period if it is: • placed in service before Jan. 1, 2015; or • placed in service after Dec. 31, 2014 and is more than two years old at the time that it is placed in service by the purchaser. Thus, with regard to the first bullet, above, the 2014 Tax Increase Prevention Act extends the three-year recovery period for race horses for one year, to apply to any race horse (regardless of age when placed in service) before Jan. 1, 2015.	Property placed in service after Dec. 31, 2013.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
168(e)(3)(E)	Fifteen-year MACRS depreciation for certain building improvements and restaurants is retroactively extended to apply to property placed in service before Jan. 1, 2015.	Under pre-2014 Tax Increase Prevention Act law, a building improvement that was "qualified leasehold improvement property," "qualified retail improvement porperty," or "qualified restaurant property" placed in service before Jan. 1, 2014 was depreciated on the straight-line method over a 15-year GDS recovery period. Qualified leasehold improvement property, qualified retail improvement property and qualified restaurant property placed in service before Jan. 1, 2014 were depreciated over a 39-year recovery period for ADS purposes.	Under the 2014 Tax Increase Prevention Act, the 15-year GDS recovery period and 39-year ADS recovery period continue in effect for qualified leasehold improvement property, qualified retail improvement property and qualified restaurant property placed in service before Jan. 1, 2015.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.
168(e)(7)(B) & 168(e)(8)(D)	Fifteen-year MACRS depreciation for certain building improvements and restaurants is retroactively extended to apply to property placed in service before Jan. 1, 2015.	Under Code Section 168(k), a taxpayer that owns "qualified property" is, generally, allowed 50% depreciation (bonus depreciation) in the year that the property is placed in service (with corresponding reductions in basis and, thus, reductions of the regular depreciation deductions otherwise allowed in the placed-in-service year and in later years). Additionally, under Code Section 168(k), qualified property is exempt from the alternative minimum tax (AMT) depreciation adjustment, which is the adjustment that requires that certain property depreciated on the 200% declining balance method for regular income tax purposes must be depreciated on the 150% declining balance method for AMT purposes. Under pre-2014 Tax Increase Prevention Act law, the Code provided that "qualified restaurant property" and "qualified retail improvement property" eligible for 15-year MACRS depreciation weren't "qualified property" for Code Section 168(k) purposes. However, both Congress and IRS are of the view that qualified restaurant property or qualified retail improvement property that is also qualified leasehold improvement property (dual-character property) is eligible for bonus depreciation.	The 2014 Tax Increase Prevention Act provides that "qualified restaurant property" that isn't qualified leasehold improvement property isn't considered qualified property for purposes of Code Section 168(k). Similarly, the Act provides that "qualified retail improvement property" that isn't qualified leasehold improvement property isn't considered qualified property for purposes of Code Section 168(k). The Act's treatment of "dual-character property" as qualified property makes the property eligible to be qualified property for all purposes of Code Section 168(k). Thus, dual character property is also eligible for AMT depreciation relief.	Property placed in service after Dec. 31, 2008.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
168(i)(15)(D)	Seven-year recovery period for motorsports entertainment complexes extended to facilities placed in service through 2014.	Motorsports entertainment complexes placed in service after Oct. 22, 2004 and before Jan. 1, 2014 are treated as seven-year modified accelerated cost recovery system (MACRS) property.	The 2014 Tax Increase Prevention Act retroactively restores the treatment of qualifying property used for land improvement and support facilities at motorsports entertainment complexes as seven-year property for property placed in service in 2014 and extends it to property placed in service before Jan. 1, 2015.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2014.
168(i)(18)(A)(ii) & 168(i)(19)(A)(ii)	Minimum class life for qualified smart electric meters and electric grid systems eligible to be MACRS 10-year property is retroactively changed from 10 years to 16 years.	Property with a 10-year MACRS recovery period includes property with a class life of 16 or more years but less than 20 years, but also includes certain other types of property specified in the Code. Two of the types of property specifically assigned a 10-year MACRS recovery period are “qualified smart electric meters” and “qualified smart electric grid systems.” Under pre-2014 Tax Increase Prevention Act law, one of the required characteristics of qualified smart electric meters and qualified smart electric grid systems was that the property didn't have a class life of less than 10 years, determined without regard to Code Section 168(e).	The 2014 Tax Increase Prevention Act requires that qualified smart electric meters and qualified smart electric grid systems have a class life of no less than 16 years (rather than 10 years) determined without regard to Code Section 168(e).	Property placed in service after Oct. 3, 2008.
168(j)(8)	Depreciation tax breaks for Indian reservation property are extended to property placed in service through 2014.	Under pre-2014 Tax Increase Prevention Act law, shortened depreciation recovery periods could be used for qualified Indian reservation property placed in service before Jan. 1, 2014. For example, property normally depreciable over a five-year period could be depreciated over a three-year period if it was qualified Indian reservation property. Also, the depreciation deduction allowed for regular tax purposes with respect to qualified Indian reservation property was also allowed for purposes of the alternative minimum tax (AMT).	Under the 2014 Tax Increase Prevention Act, the incentive relating to accelerated depreciation of qualified Indian reservation property is extended to apply to property placed in service before Jan. 1, 2015.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.

Section A

Code Section	Topic	Law Before Act	Law After Act	Effective Date
168(k)(2)	Bonus depreciation and AMT relief are retroactively extended to apply to property placed in service before Jan. 1, 2015 (Jan. 1, 2016 for certain property).	Under Code Section 168(k), a taxpayer that owns “qualified property” is, generally, allowed 50% depreciation (bonus depreciation) in the year that the property is placed in service. Additionally, qualified property is exempt from the alternative minimum tax (AMT) depreciation adjustment, which is the adjustment that requires that certain property depreciated on the 200% declining balance method for regular income tax purposes must be depreciated on the 150% declining balance method for AMT purposes. Under pre-2014 Tax Increase Prevention Act law, the timely-placed-in-service requirement was that the property had to be placed in service by the taxpayer before Jan. 1, 2014, except for certain aircraft and certain long-production-period property that had to be placed in service before Jan. 1, 2015.	The 2014 Tax Increase Prevention Act changes the timely-placed-in-service requirement to provide that qualified property has to be placed in service by the taxpayer before Jan. 1, 2015, except that aircraft and long-production-period property have to be placed in service before Jan. 1, 2016. Thus, bonus depreciation and the corresponding exemption from the AMT depreciation adjustment are extended retroactively for one year. Also, the 2014 Tax Increase Prevention Act changes the progress expenditure rule to provide that long-production-period property can qualify for the Dec. 31, 2015 placed-in-service deadline only to the extent of adjusted basis attributable to manufacture, construction or production before Jan. 1, 2015.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.
168(k)(2)(A)(iv)	Increase in first-year depreciation cap for cars that are "qualified property" is retroactively extended through Dec. 31, 2014.	Code Section 280F(a) imposes dollar limits on the depreciation deductions (including deductions under the Code Section 179 expensing election) that can be claimed with respect to “passenger automobiles.” The dollar limits are adjusted annually from a base amount to reflect changes in the automobile component of the Consumer Price Index (CPI). For any passenger automobile that is “qualified property” and which isn't subject to a taxpayer election to decline the bonus depreciation and AMT depreciation relief otherwise available for “qualified property” under Code Section 168(k), the above rules apply, except that the applicable first-year depreciation limit is increased by $8,000 (not indexed for inflation). Under pre-2014 Tax Increase Prevention Act law, qualified property didn't include property placed in service after Dec. 31, 2013.	The 2014 Tax Increase Prevention Act provides that the placed-in-service deadline for “qualified property” is Dec. 31, 2014. Thus, for a passenger automobile that satisfies the other requirements for qualified property (and isn't subject to the election to decline bonus depreciation and AMT depreciation relief), the 2014 Tax Increase Prevention Act extends the placed-in-service deadline for the $8,000 increase in the first-year depreciation limit from Dec. 31, 2013 to Dec. 31, 2014.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.

Section A

Code Section	Topic	Law Before Act	Law After Act	Effective Date
168(k)(2)(A)(iv) & 168(k)(4)(D)(iii)(II)	Trading bonus and accelerated depreciation for the present refund of certain deferred nonrefundable credits is extended retroactively.	A corporation may elect to accelerate the otherwise-deferred pre-2006 AMT credit in lieu of first-year bonus depreciation for eligible qualified property. If the corporation makes the election, it must also use the straight-line method to depreciate the property. Under pre-2014 Tax Increase Prevention Act law, eligible qualified property did not include property placed in service after Dec. 31, 2013, except for certain aircraft and certain long-production-period property that had, instead, a Dec. 31, 2014 placed-in-service deadline.	The 2014 Tax Increase Prevention Act expands the category "eligible qualified property" to include qualified property placed in service after Dec. 31, 2013 and before Jan. 1, 2015 (and after Dec. 31, 2014 and before Jan. 1, 2016 for certain aircraft and, to the extent attributable to pre-2015 progress expenditures, certain long-production period property).	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.
168(k)(4)(E)(iv)	Definition of AMT credit increase amount in the rules for trading bonus and accelerated depreciation for a present refund of certain deferred nonrefundable credits is retroactively clarified.	Under pre-2014 Tax Increase Prevention Act law, Code Section 168(k)(4)(E)(iv) defined the AMT credit increase amount as the amount equal to the portion of the minimum tax credit under Code Section 53(b) for the first tax year ending after Mar. 31, 2008, determined by taking into account only the "adjusted minimum tax" for tax years beginning before Jan. 1, 2006.	The 2014 Tax Increase Prevention Act amends Code Section 168(k)(4)(E)(iv) to refer to the "adjusted net minimum tax."	Tax years beginning after Mar. 31, 2008.
168(k)(4)(J)(iii)	The post-Dec. 2012 election to trade bonus and accelerated depreciation for the present refund of certain deferred nonrefundable credits is retroactively corrected.	Under pre-2014 Tax Increase Prevention Act law, the election could be made by the corporation as follows: (1) for its first tax year ending after Mar. 31, 2008, but also applicable to later years (the March 2008 election), (2) for its first tax year ending after Dec. 31, 2008, but also applicable to later years (the December 2008 election), (3) for its first tax year ending after Dec. 31, 2010, but also applicable to later years (the December 2010 election), *or* (4) for its first tax year ending after Dec. 31, 2012, but also applicable to later years (the December 2012 election).	The 2014 Tax Increase Prevention Act amends Code Section 168(k)(4)(J)(iii) to provide that one of the conditions for a December 2012 election is that the taxpayer hadn't made the December 2010 election "for its first taxable year" ending after Dec. 31, 2010 (instead of "for any taxable year" after Dec. 31, 2010).	Property placed in service after Dec. 31, 2012.

Section A

Code Section	Topic	Law Before Act	Law After Act	Effective Date
168(k)(4)(K)	Trading bonus and accelerated depreciation for the present refund of certain deferred nonrefundable credits is extended retroactively.	A corporation can make an election (a Code Section 168(k)(4) election) to forego bonus and accelerated depreciation for "eligible qualified property" in exchange for the present allowance, as refundable tax credits, of certain otherwise-deferred "pre-2006 credits."	Under the 2014 Tax Increase Prevention Act, a taxpayer that doesn't have a Code Section 168(k)(4) election in effect for round three extension property (background above) is allowed to make a Code Section 168(k)(4) election for round four extension property (see round four extension property below). (Code Section 168(k)(4)(K)(ii)(II) as amended by 2014 Tax Increase Prevention Act Section 125(c)(2)DivA). Additionally, if a taxpayer does have a Code Section 168(k)(4) election in effect for round three extension property, the taxpayer is treated as having a Code Section 168(k)(4) election in effect for round four extension property, unless the taxpayer elects to not have the Code Section 168(k)(4) election apply to round four extension property.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.
168(l)(2)(D)	Special allowance for second generation biofuel plant property is retroactively extended through Dec. 31, 2014.	To qualify under pre-2014 Tax Increase Prevention Act law, the property generally must have been placed in service before Jan. 1, 2014.	The 2014 Tax Increase Prevention Act extends the special depreciation allowance for one year, to qualified second generation biofuel plant property placed in service before Jan. 1, 2015. The 2014 Tax Increase Prevention Act accomplishes this by substituting "Jan. 1, 2015" for "Jan. 1, 2014" in Code Section 168(l)(2)(D).	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.
168(m)(2)(B)(i)	Prohibition of a double bonus depreciation benefit for qualified reuse and recycling property is retroactively clarified.	Property that would otherwise qualify as "qualified reuse and recycling property" doesn't meet the requirements if it is subject to one or more of several exclusions. Under pre-2014 Tax Increase Prevention Act law, Code Section 168(m)(2)(B)(i) provided, as one of the exclusions, that qualified reuse and recycling property didn't include property to which Code Section 168(k) applies.	The 2014 Tax Increase Prevention Act amends Code Section 168(m)(2)(B)(i) to provide that qualified reuse and recycling property doesn't include property to which Code Section 168(k), determined without regard to Code Section 168(k)(4), applies.	Property placed in service after Aug. 31, 2008.
170(b)(1)(E)(vi)	Incentives for qualified conservation contributions of individuals are retroactively extended for tax years beginning before 2015.	Under pre-2014 Tax Increase Prevention Act law, the increased percentage limits and extended carryforward period for qualified conservation contributions of individuals didn't apply to contributions made in tax years beginning after Dec. 31, 2013.	Under the 2014 Tax Increase Prevention Act, the increased percentage limits and extended carryforward period for qualified conservation contributions of individuals won't apply to contributions made in tax years beginning after Dec. 31, 2014.	Contributions made in tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.

Section A

Code Section	Topic	Law Before Act	Law After Act	Effective Date
170(b)(2)(B)(iii)	Incentives for qualified conservation contributions by corporate farmers and ranchers are retroactively extended for tax years beginning before 2015.	Under pre-2014 Tax Increase Prevention Act law, the increased percentage limits and extended carryforward period for qualified conservation contributions by corporate farmers and ranchers didn't apply to contributions made in tax years beginning after Dec. 31, 2013.	Under the 2014 Tax Increase Prevention Act, the increased percentage limits and extended carryforward period for qualified conservation contributions by corporate farmers and ranchers won't apply to contributions made in tax years beginning after Dec. 31, 2014.	Contributions made in tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.
170(e)(3)(C)(iv)	Above-basis deduction rules for charitable contributions of food inventory are retroactively extended through 2014.	Under pre-2014 Tax Increase Prevention Act law, the above rules for charitable contributions of food inventory didn't apply to contributions made after Dec. 31, 2013.	Under the 2014 Tax Increase Prevention Act, the rules for charitable contributions of food inventory won't apply to contributions made after Dec. 31, 2014 (rather than Dec. 31, 2013).	Contributions made after Dec. 31, 2013 and before Jan. 1, 2015.
179(b), 179(c), 179(d), 179(f)	Higher limits on Code Section 179 expensing are retroactively etended to tax years beginning in 2014. Revocation of Code Section 179 election without IRS consent is retroactively extended to tax years beginning in 2014. Treatment of qualified real property and some computer software as section 179 property is retroactively extended to tax years beginning in 2014.	Under pre-2014 Tax Increase Prevention Act law, for tax years beginning after calendar year 2013, the dollar limitation was $25,000 and the beginning-of-phaseout amount was $200,000.	The 2014 Tax Increase Prevention Act extends the $500,000 dollar limitation and $2,000,000 beginning-of-phase-out amount to apply to tax years beginning in calendar year 2014. Accordingly, the $25,000 dollar limitation and $200,000 beginning-of-phase-out amount apply only to tax years beginning in calendar years after 2014. The 2014 Tax Increase Prevention Act extends the treatment of up to $250,000 of the cost of “qualified real property” as Section 179 property to tax years beginning in 2014.	Tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.
179D(h)	EECB deduction is retroactively extended for one year through Dec. 31, 2014.	Under pre-2014 Tax Increase Prevention Act law, the deduction did not apply to property placed in service after Dec. 31, 2013.	The 2014 Tax Increase Prevention Act extends the deduction for EECB property for one year by providing that the EECB deduction does not apply for property placed in service after Dec. 31, 2014.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.
179E(g)	Election to expense cost of qualified advanced mine safety equipment property is retroactively extended one year to property placed in service through 2014.	The law in effect before the 2014 Tax Increase Prevention Act provided for an election to expense advanced mine safety equipment, but the election did not apply to property placed in service after Dec. 31, 2013. The taxpayer could elect to treat 50% of the cost of any qualified advanced mine safety equipment property as an expense that was not chargeable to capital account. Thus, any cost for which the election was made was allowed as a deduction for the tax year in which the qualified advanced mine safety equipment property was placed in service.	The 2014 Tax Increase Prevention Act provides that the placed in service date for the above election is extended for one year to Dec. 31, 2014.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
181(f)	Expensing rules for qualified film and television productions are retroactively extended for one year to productions beginning before Jan. 1, 2015.	Under pre-2014 Tax Increase Prevention Act law, taxpayers could have elected to expense the cost of qualified film and television productions, rather than capitalizing those costs, for productions beginning before Jan. 1, 2014. For a production to be a qualified production and therefore eligible for the expensing election, 75% of the total compensation of the production must be “qualified compensation.” The production is a qualified production if it is property defined in Code Section 168(f)(3) (i.e., any motion picture or film or videotape). For a television series, each episode is treated as a separate production and only the first 44 episodes of the series are taken into account for purposes of the expensing election.	The 2014 Tax Increase Prevention Act provides that the Code Section 181 expensing election does not apply to qualified film and television productions commencing after Dec. 31, 2014.	Productions beginning after Dec. 31, 2013 and before Jan. 1, 2015.
222(e)	Qualified tuition deduction is extended retroactively through 2014.	Under pre-2014 Tax Increase Prevention Act law, the qualified tuition deduction wasn't available for tax years beginning after Dec. 31, 2013.	Under the 2014 Tax Increase Prevention Act, the qualified tuition deduction won't be available for tax years beginning after Dec. 31, 2014.	Tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.
280F(d)(8)	Application of definition of unrecovered basis and special rules for property acquired in a nonrecognition transaction to Code Section 280F depreciation limitation rules for luxury automobiles clarified.	Under pre-2014 Tax Increase Prevention Act law, for purposes of depreciation of any remaining “unrecovered basis” of an auto which continued to be used in business after the end of the auto's normal recovery period, the term “unrecovered basis” was the adjusted basis of the passenger automobile, determined after the application of Code Section 280F(a)(2) (i.e., the coordination rules of reductions in depreciation due to personal use), and as if all use during the recovery period was used in a trade or business (including the holding of property for the production of income). In addtion, under pre-2014 Tax Increase Prevention Act law, for purposes of the coordination rules of reductions in depreciation due to personal use, with respect to passenger automobile, any property aquired in a nonrecognition transaction was treated as a single property. The property was treated as originally placed in service in the taxable year in which it was placed in service after being so acquired.	The 2014 Tax Increase Prevention Act amends Code Section 280F(d)(8)'s definition of unrecovered basis, and Code Section 280F(d)(10)'s special rules for property acquired in a nonrecognition transaction, to apply for purposes of Code Section 280F(a)(1)'s depreciation amount, disallowed deductions, and special rule for clean-fuel automobiles, rather than to Code Section 280F(a)(2)'s coordination rules of reduction in depreciation due to personal use.	Dec. 19, 2014.

Section A

Code Section	Topic	Law Before Act	Law After Act	Effective Date
280F(d)(10)	Application of definition of unrecovered basis and special rules for property acquired in a nonrecognition transaction to Code Section 280F depreciation limitation rules for luxury automobiles clarified.	Under pre-2014 Tax Increase Prevention Act law, for purposes of depreciation of any remaining “unrecovered basis” of an auto which continued to be used in business after the end of the auto's normal recovery period, the term “unrecovered basis” was the adjusted basis of the passenger automobile, determined after the application of Code Section 280F(a)(2) (i.e., the coordination rules of reductions in depreciation due to personal use), and as if all use during the recovery period was used in a trade or business (including the holding of property for the production of income). In addition, under pre-2014 Tax Increase Prevention Act law, for purposes of the coordination rules of reductions in depreciation due to personal use, with respect to passenger automobile, any property aquired in a nonrecognition transaction was treated as a single property. The property was treated as originally placed in service in the taxable year in which it was placed in service after being so acquired.	The 2014 Tax Increase Prevention Act amends Code Section 280F(d)(8)'s definition of unrecovered basis, and Code Section 280F(d)(10)'s special rules for property acquired in a nonrecognition transaction, to apply for purposes of Code Section 280F(a)(1)'s depreciation amount, disallowed deductions, and special rule for clean-fuel automobiles, rather than to Code Section 280F(a)(2)'s coordination rules of reduction in depreciation due to personal use.	Dec. 19, 2014.
408(d)(8)(F)	Rule allowing tax-free IRA distributions of up to $100,000 if donated to charity, is retroactively extended through 2014.	Under pre-2014 Tax Increase Prevention Act law, the tax-free qualified charitable distribution rules only applied to distributions made in tax years beginning no later than Dec. 31, 2013.	Under the 2014 Tax Increase Prevention Act, the termination date of the tax-free qualified charitable distribution rule is amended by substituting Dec. 31, 2014 for Dec. 31, 2013.	For IRA distributions made during 2014.
412 & 432	IRS approval of a multiemployer pension plan's adoption of funding methods.	In 2006, special rules were added for multiemployer defined benefit pension plans that are significantly underfunded. These rules created three categories of underfunding: endangered, seriously endangered, and critical. Specific obligations apply to plans in each category. Multiemployer plans could generally start or stop using the shortfall funding method without obtaining approval from the IRS.	These rules expired in 2014 and did not apply to plan years beginning after Dec. 31, 2014. The Act extends these rules through 2015.	Plan years beginning after Dec. 31, 2014.
431(d)(1)(C)	Funding of multiemployer pension plans.	A multiemployer defined benefit pension plan previously could obtain an automatic five-year extension for additional time to amortize funding shortfalls.	The Act extends for one year the provision that automatically grants the five-year extension, which is less aggressive than the funding otherwise required for under-funded plans.	Effective for extension applications submitted to the IRS after Dec. 31, 2014 and before 2016.

Section A

Code Section	Topic	Law Before Act	Law After Act	Effective Date
451(i)(3)	Gain deferral election on qualifying electric transmission transactions extended to dispositions before Jan. 1, 2015.	Ending Dec. 31, 2013, tax law allowed deferral of gain on sales of transmission property by vertically integrated electric utilities to FERC-approved independent transmission companies. Rather than recognizing the full amount of gain in the year of sale, the IRC allowed gain on such sales to be recognized ratably over an eight-year period.	Deferral provisions extended for another year.	Dispositions after Dec. 31, 2013 and before Jan. 1, 2015.
460(c)(6)(B)(ii)	Disregard of some depreciation under the percentage of completion method is retroactively extended to property placed in service before Jan. 1, 2015 (Jan. 1, 2016 for certain property).	Bonus depreciation on machinery is disregarded when computing the percentage of completion for long-term contracts. This provision terminates along with the ending of bonus depreciation on Dec. 31, 2013.	Provision is extended to 2014 along with extension of bonus depreciation.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.
512(b)(13)(E)(iv)	Rule mitigating tax-exempt parent's UBTI "specified payments" received from a controlled entity, is retroactively extended through 2014.	UBTI paid by a controlled entity to a parent exempt organization is excluded from UBTI to the extent such payment is "arm's-length." This exclusion ends Dec. 31, 2013.	Exclusion is extended to payments received or accrued in 2014.	Payments received or accrued in 2014.
642(b)(2)(C)(i)(I)	Cross reference corrected regarding the computation of the personal exemption amount for qualified disability trusts.	A qualified disability trust is allowed a personal exemption the same as a natural person.	Technical correction: updates the reference to where an "individual" is defined in the IRC.	Tax years beginning after Dec. 31, 2012.
852(b)-(c)	Deferral of certain losses for RIC income tax purposes amended.	Late-year capital and ordinary losses can be treated as incurred on the first day of the following taxable year.	Provides additional detail regarding how such late-year losses are computed, and expands the amount of losses that can be deferred.	Tax years beginning after Dec. 22, 2010 for RIC income tax amendments. Calendar years beginning after Dec. 22, 2010 for excise tax amendments.
855(a)(1)	RIC spillover dividend deadline amended.	A RIC's spillover dividends are permitted within a certain timeframe.	Adds one day to the deadline.	Distributions in tax years beginning after Dec. 22, 2010.
897(h)(4)(A)(ii)	Inclusion of RICs in the definition of qualified investment entity is extended for certain FIRPTA purposes through 2014.	Inclusion of RICs in the definition of qualified investment entity ended on Dec. 31, 2013.	RICs are now included through Dec. 31, 2014.	Jan. 1, 2014 through Dec. 31, 2014.
911(f)(1)	Foreign earned income exclusion amount reduced by disallowed deductions for purposes of calculating tax liability.	No provision - exempt foreign earned income stands on its own in the with and without tax computation.	For tax computation purposes, the law now specifically allows exempt foreign earned income to be reduced by deductions allocable to such income.	Tax years beginning after Dec. 31, 2006.
953(e)(10) & 954(h)(9)	Subpart F exception for active financing and insurance income extended through tax years beginning before 2015.	Subpart F exception for active financing and insurance income ended with tax years beginning through Dec. 31, 2013.	Exception is extended to tax years ending through Dec. 31, 2014.	Tax Years beginning after Dec. 31, 2013 and before Jan. 1, 2015.

Section A

Code Section	Topic	Law Before Act	Law After Act	Effective Date
954(c)(6)(C)	Look-through treatment for payments between related CFCs under foreign personal holding company income rules extended through 2014.	Look-through treatment for payments between related CFCs under foreign personal holding company income rules ended with tax years beginning through Dec. 31, 2013.	Treatment is extended to tax years ending through Dec. 31, 2014.	Tax years of foreign corporations beginning after Dec. 31, 2013 and before Jan. 1, 2015.
1012(c)(2)(B) & (d)(3)	RICs can make single account election to treat all stock held in a RIC as covered securities without regard to the date when the stock was acquired and basis rules for dividend reinvestment plans (DRPs) are retroactively clarified.	Unless a fund made the single account election, Code Section 1012(c)(2)(A) provides that any stock for which an average basis method was permissible that was acquired before Jan. 1, 2012, was treated as a separate account from any stock acquired on or after Jan. 1, 2012.	Clarification to Code Section 1012(c)(2)(B) provides an election for a RIC to treat as a single account all stock held by a customer without regard to the date of acquisition of the stock. Thus, if a RIC makes the single account election, the covered securities (generally, stock acquired after Dec. 31, 2011) and the non-covered securities (generally, stock acquired before Jan. 1, 2012) would be treated as a single account and the basis of all stock could be determined using the average basis method.	Jan. 1, 2011.
1012(d)(1)	Basis rules for dividend reinvestment plans (DRPs) are retroactively clarified.	For stock acquired after Dec. 31, 2010, pre-2014 Tax Increase Prevention Act law provided that, in connection with a dividend reinvestment plan (DRP), the basis of the stock while held as part of the plan was determined using one of the methods which can be used for determining the basis of stock in an open-end fund.	For stock acquired after Dec. 31, 2011, in connection with a DRP, the basis of the stock while held as part of the DRP is determined using one of the methods which can be used for determining the basis of stock in a regulated investment company (RIC).	Stock acquired after Dec. 31, 2011.
1016(a)(37)	Conforming amendment to the basis adjustment rule for certain electric motor vehicle credits is retroactively corrected.	2009 Recovery Act Section 1141(b)(3) was intended to conform Code Section 1016(a)(37) to the redesignation of the Code Section 30D basis reduction rule. However, that 2009 Recovery Act section incorrectly stated that the paragraph that was being amended was Code Section 1016(a)(25).	The 2014 Tax Increase Prevention Act changes the reference in Code Section 1016(a)(37) from a reference to former Code Section 30D(e)(4) to a reference to Code Section 30D(f)(1).	Vehicles acquired after Dec. 31, 2009.
1202(a)(4)	100% gain exclusion for qualified small business stock (QSBS) is retroactively extended through Dec. 31, 2014.	Subject to a per taxpayer limit (see below), noncorporate taxpayers exclude 100% of the gain realized on the sale of “qualified small business stock” (QSBS) held for more than five years and acquired in a temporary period. Additionally, the excluded portion of the gain from eligible QSBS is excepted from treatment as an alternative minimum tax (AMT) preference item. Under pre-2014 Tax Increase Prevention Act law, the temporary period began on Sept. 28, 2010 and ended on Dec. 31, 2013.	The 2014 Tax Increase Prevention Act extends the 100% exclusion and the exception from minimum tax preference treatment for QSBS for one year by changing the date before which eligible QSBS must be acquired from Jan. 1, 2014 to Jan. 1, 2015.	Stock acquired after Dec. 31, 2013 and before Jan. 1, 2015.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
1367(a)(2)	Rule that S Corporation's charitable contribution of property reduces shareholder's basis only by contributed property's basis is extended for tax years beginning in 2014.	These rules were originally effective for contributions made in tax years beginning after Dec. 31, 2005 and before Jan. 1, 2008, but were later extended for tax years beginning in 2008 through 2013.	The 2014 Tax Increase Prevention Act extends the rule that the decrease in a shareholder's basis in his S Corporation stock by reason of a charitable contribution made by the S corporation equals the shareholder's pro rata share of the adjusted basis of the contributed property for contributions in tax years beginning before Jan. 1, 2015.	Contributions made in tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.
1374(d)(7)	Shortened S Corporation built-in gains holding period extended for 2014.	The 2010 Small Business Act added that for S Corporation tax years beginning in 2011, no tax was imposed on the net unrecognized built-in gain of an S Corporation if the fifth year in the recognition period preceded the 2011 tax year. The 2012 Taxpayer Relief Act reduced the recognition period for S Corporation tax years beginning in 2012 and 2013 to five years.	The 2014 Tax Increase Prevention Act provides that, for S Corporation tax years beginning in 2014, the recognition period is limited to five years.	Tax years beginning after Dec. 31, 2013.
1397B(b)(1)(A)(iv)	Definition of qualified empowerment zone asset is retroactively clarified for purposes of the election to roll over gain from qualified empowerment zone assets to other qualified empowerment zone assets.	In the case of any sale or exchange of a qualified empowerment zone asset (QEZ asset) held by the taxpayer for more than one year, the taxpayer can elect to defer a portion of any gain on the sale or exchange where other empowerment zone assets are purchased within 60 days of the date of sale of the QEZ asset.	The date set forth in prior law is extended retroactively by five years to include a QEZ asset acquired by the taxpayer after Dec. 31, 2001 and before Jan. 1, 2015.	Periods after Dec. 31, 2009.
Achieving a Better Life Experience Act of 2014				
26(b)(2)(Y)	Tax-advantaged ABLE accounts can be used to pay qualified disability expenses of beneficiaries who are blind or disabled.	The 2013 "ABLE" legislation provided for tax-free savings accounts for individuals with disabilities.	The law was clarified to provide that ABLE accounts can be used to pay for qualified disability expenses of beneficiaries who are blind or disabled.	Tax years beginning after Dec. 31, 2014.
529(b)(4)	Twice-yearly investment changes may be made to 529 plans for tax years beginning after 2014.	Contributors or beneficiaries under a Section 529 plan could not direct investment of their plan assets.	These individuals now may make investment decisions up to two times per year.	Tax years beginning after Dec. 31, 2014.
529A	Tax-advantaged ABLE accounts can be used to pay qualified disability expenses of beneficiaries who are blind or disabled.	No provision.	Tax-advantaged ABLE accounts can be used to pay qualified disability expenses of beneficiaries who are blind or disabled.	Tax years beginning after Dec. 31, 2014.
543(a)(1)	Dividends from a controlled foreign corporation are not personal holding company income.	Certain dividends are excluded from PHC income.	Dividends received from a Controlled Foreign Corporation are added to the list of excluded dividends.	Tax Years ending on or after Dec. 19, 2014.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
877A(e)(2)	Amendments made to definitions relating to taxing expatriates under the mark-to-market rules.	Specified tax-deferred accounts (IRAs, HSAs, etc) are treated as distributed under the mark-to-market rule for taxing expatriates.	Adds ABLE accounts to the list of specified tax-deferred accounts.	Tax years beginning after Dec. 31, 2014.
2014 Multiemployer Pension Reform Act				
411	Sponsors of financially troubled multiemployer pension plans.	Under the Code Section 411(d)(6) “anti-cutback” rule, a participant's accrued benefits under a qualified retirement plan cannot be reduced or eliminated by plan amendment, unless an exception applies. There was no exception from the anti-cutback rule for financially troubled multiemployer pension plans.	By allowing a multiemployer plan sponsor to amend the plan to suspend benefits if the plan is in critical and declining status, the 2014 Multiemployer Pension Reform Act provides a new exception from the Code Section 411(d)(6) anti-cutback rule.	For all periods before, on, and after Dec. 16, 2014.
418, 431 & 432	Funding of multiemployer pension plans.	Many multiemployer pension plans were significantly underfunded in the past 10 years. In 2006 numerous provisions were added to address the problems, and impose different rules on the plans depending on the severity of the underfunding. The rules were meant to try to keep plans from completely failing, and allowed longer periods to fund the plans to avoid default.	Additional provisions and rules were added to address the ongoing problems with underfunding in an ongoing effort to improve the status of these plans. The most important provision allows deeply troubled plans nearing insolvency to reduce benefits.	Generally effective for plan years beginning after Dec. 31, 2014.
2015 Appropriations Act				
411(f)	Retirement age used by defined benefit plans.	Defined benefit plans are required to use a certain definition of "normal retirement age" which determines the amount of funding required for the plan.	The law allows plans to adopt a different definition of "normal retirement age" which can impact the funding requirements.	For all periods before, on, and after Dec. 16, 2014.
833(c)(5)	Health organizations with low medical loss ratios retroactively allowed to be treated as stock insurance companies.	No provision.	Health organizations with low medical loss ratios retroactively allowed to be treated as stock insurance companies.	Tax years beginning after Dec. 31, 2009.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
Tribal Welfare Exclusion Act of 2014				
139E	Indian general welfare benefits are excluded from gross income.	Under an IRS-established exclusion (the so-called “general welfare exclusion”), payments that are made by governmental units to individuals under legislatively provided social benefit programs for the promotion of the general welfare (that are based on need), and that aren't compensation for services, are excluded from the recipient's gross income for Federal tax purposes. Under pre-2014 Tribal Welfare Exclusion Act law, no statutory gross income exclusion applied for general welfare benefits provided by Indian tribes. Instead, the only way to exclude general welfare-type payments made by Indian Tribal governments to their tribe members was under IRS's general welfare exclusion. But, in evaluating whether Indian tribal government programs qualified as “for the promotion of general welfare,” IRS often argued that the exclusion didn't apply because the programs didn't provide benefits based on a determination of the individuals' need (e.g., where the program provided benefits to all tribal members without regard to financial need).	The 2014 Tribal Welfare Exclusion Act adds Code Section 139E to the Code, providing that the value of any qualified Indian general welfare benefit is excluded from a recipient's gross income. For purposes of these rules, the term “Indian general welfare benefit” includes any payment made or services provided to or on behalf of a member of an Indian tribe (or any spouse or dependent of a member of an Indian tribe) pursuant to an Indian tribal government program, but only if: (1) the program is administered under specific guidelines and doesn't discriminate in favor of members of the tribe's governing body; and (2) the benefits provided under the program: (a) are available to any tribal member who meets the guidelines; (b) are for the promotion of general welfare; (c) aren't lavish or extravagant; and (d) aren't compensation for services.	For tax years for which the refund or credit limitations period under Code Section 6511 hasn't expired.
Highway and Transportation Funding Act of 2014				
430(h)(2) & 436(d)(1)(C)	Funding of pension plans.	"Segment" interest rates are used to determine the minimum funding requirements for single employer plans by looking at a 25-year average of rates. Because interest rates are currently at historical lows, limiting the rates based on the 25-year average tends to increase the interest rates, and therefore lower the minimum funding requirements.	HATFA extends the 25-year pension smoothing for plan funding purposes; however, the smoothing provision is not allowed in determining a plan's funding target when the plan sponsor is in bankruptcy.	Plan years beginning after Dec. 31, 2012.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
CSEC Pension Flexibility Act				
412, 414 & 433	Cooperative and small employer charity (CSEC) plans.	No prior provision.	New rules were established for the funding and operation of cooperative and small employer charity (CSEC) pension plans.	CSEC Plans can be established Apr. 7, 2014; other rules generally effective for plan years beginning after Dec. 31, 2013.
Philippines Charitable Giving Assitance Act				
170	Cash contributions for Typhoon Haiyan relief made after Mar. 25, 2014 and before Apr. 15, 2014 could be deducted on 2013 returns.	The unconditional delivery or mailing of a check that later clears in due course is an effective contribution on the delivery or mailing date.	The 2014 Philippines Charitable Giving Assistance Act allowed taxpayers to treat charitable contributions of cash made after Mar. 25, 2014 and before Apr. 15, 2014 as contributions made on Dec. 31, 2013, if the contributions were for the purposes of providing relief to victims in areas affected by Typhoon Haiyan in the Philippines. Thus, a taxpayer who, after Mar. 25, 2014, and before midnight on Apr. 14, 2014, made a cash contribution for which a charitable contribution deduction was allowable for the relief of victims in areas affected by the Typhoon Haiyan, could have treated the contribution as if it were made on Dec. 31, 2013, and not in 2014. (IR 2014-46, Apr. 4, 2014). Eligible contributions could be claimed on a 2013 or 2014 return, but not both. Contributions made after Apr. 14, 2014, but before the end of 2014 can only be claimed on a 2014 return. (IR 2014-46, Apr. 4, 2014). Individuals could benefit from the special accelerated charitable deduction rule described above if they itemized their deductions on Schedule A, but not if they claimed the standard deduction. (IR 2014-46, Apr. 4, 2014).	Contributions made after Mar. 25, 2014 and before Apr. 15, 2014.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
170(f)(17)	Phone bill satisfies recordkeeping requirement for Typhoon Haiyan relief donations made by text message.	Stricter substantiation rules apply under Code Section 170(f)(8) to contributions (cash or noncash) of $250 or more. No charitable deduction is allowed unless substantiated by a contemporaneous written acknowledgment from the donee organization setting forth: (1) the amount of cash and a description (but not the value) of any property contributed; (2) whether the organization provided any goods or services in return for the contribution; and (3) a description and good-faith estimate of the value of those goods or services or a statement that they consist entirely of intangible religious benefits.	For cash contributions for which a charitable contribution deduction is allowable for the relief of victims in areas affected by Typhoon Haiyan, a telephone bill showing the name of the donee organization, and the date and amount of the contribution is treated as meeting the above-described Code Section 170(f)(17) recordkeeping requirement.	Mar. 25, 2014.

Fallen Firefighters Assistance Tax Clarification Act of 2013

Code Section	Topic	Law Before Act	Law After Act	Effective Date
None	Payments made by charitable organizations for firefighters who died or were injured December 2012 in the Webster, NY ambush treated as exempt payments.	Certain payments by the charity are treated as exempt payments.	Extended.	Payments made on or after Dec. 24, 2012 and before Jan. 19, 2014.

2013 Hutchinson Spousal IRA Act

Code Section	Topic	Law Before Act	Law After Act	Effective Date
219(c)	Code Section 219(c) rule relating to spousal IRAs is renamed the "Kay Bailey Hutchison Spousal IRA."	A nonworking (or lesser earning) spouse may make contributions to an IRA under Code Section 219(c). The maximum amount allowable as a deduction by the nonworking (or lesser earning) spouse for a contribution to this type of IRA cannot exceed the couple's combined earned income.	Under the 2013 Hutchinson Spousal IRA Act, the heading of Code Section 219(c), which provides contribution limits for a nonworking (or lesser earning) spouse's IRA as described above, is renamed the “Kay Bailey Hutchinson Spousal IRA."	July 25, 2013.

Section B

No ORS change necessary: No change is necessary to the ORS. This provision affects a credit, penalty or administrative rule which applies only to the Federal tax system, does not apply to the determination of taxable income, or is automatically modified by provisions in the ORS. Oregon does not automatically adopt these provisions, however, no modification of ORS is necessary.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
Tax Increase Prevention Act of 2014				
24(d)(4)	Determination of increase in refundable part of the child tax credit is clarified for tax years beginning in 2009 through 2017.	Federal law provides for a refundable child care tax credit.	The refundable credit was increased to $10,000 for 2009 through 2017.	Tax years beginning after Dec. 31, 2008.
25A(i)(3)	Most course materials don't qualify for the Lifetime Learning Credit.	Federal law provides for a tax credit for certain education costs. For years before 2018, the cost of course materials was included in the computation of the credit.	Retroactive to 2009, course materials don't qualify for the Lifetime Learning Credit.	Tax years beginning after 2008.
25C(g)(2)	Nonbusiness energy property credit is retroactively extended through 2014.	Federal law provided a credit based on the cost of certain non-business energy property. The law expired at the end of 2013.	This credit was extended for an additional year through 2014.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.
30A	Possessions tax credit for American Samoa extended through 2014.	Federal law provided a tax credit for tax paid to American Samoa. The law expired at the end of 2013.	This credit was extended for an additional year through 2014.	Tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.
30B(h)(5)(B)	Reduction to deductions and credits for the amount of the alternative motor vehicle credit is determined without regard to coordination rules.	Federal law provided a tax credit based on the cost of certain vehicles, when they use certain qualified technologies, including fuel cell, lean burn, hybrid, and alternative fuels.	This credit was extended for an additional year through 2014.	Property placed in service after Dec. 31, 2005.
30C(g)	QAFV refueling property credit is retroactively restored and extended to property placed in service before Jan. 1, 2015.	Federal law provided a tax credit for the cost of alternative fuel vehicle refueling property.	This Federal credit was extended for an additional year, through 2014. Oregon has a similar credit in ORS 317.115.	Property placed in service after Dec. 31, 2013 and before Jan. 1, 2015.
40(b)(6)(J)(i)	Cellulosic biofuel producer credit is retroactively restored and extended through Dec. 31, 2014.	Federal law provided a tax credit for certain cellulosic biofuel producers.	This credit was extended for an additional year through 2014.	Fuel produced after Dec. 31, 2013 and before Jan. 1, 2015.
40A(g)	Credit for biodiesel and renewable diesel used as fuel is extended retroactively through 2014.	Federal law provided a tax credit for the use of biodiesel and renewable diesel.	This credit was extended for an additional year through 2014.	Fuel sold or used after Dec. 31, 2013 and before Jan. 1, 2015.
41(h)(1)	Research credit is retroactively extended to apply to amounts paid or incurred after Dec. 31, 2013 and before Jan. 1, 2015.	Federal law provided for a tax credit for certain research costs.	The Federal credit was extended by one year, through 2014. Oregon has a similar credit (ORS 317.152 through 317.154) as a percent of the Federal credit. Oregon connects to the Federal rule even during years which the Federal has expired.	Amounts paid or incurred after Dec. 31, 2013 and before Jan. 1, 2015.

Section B

Code Section	Topic	Law Before Act	Law After Act	Effective Date
42(b)(2)(A)	For housing credit dollar amount allocations made before Jan. 1, 2015, a temporary minimum low-income housing credit rate of 9% applies retroactively to new non-federally subsidized buildings.	Federal law provided for a tax credit for certain low-income housing costs.	The Federal credit was extended by one year through 2014.	Jan. 1, 2014.
42(g)(4)	Military housing allowance exclusion for tax-exempt bond financing and low-income housing credit is retroactively extended through 2014.	Federal law provided that certain military housing qualified for tax exempt bond financing.	The Federal exclusion was extended by one year through 2014.	Income determinations made after July 30, 2008 and before 2015.
45(d)	Beginning-of-construction date deadline for qualified facilities producing energy from certain renewable resources is retroactively extended for one year.	Federal law provided for tax credits for electricity produced from renewable energy resources.	The Federal credit was extended by one year, through 2014.	Qualified facilities for which construction begins after Dec. 31, 2013 and before Jan. 1, 2015.
45(e)(10)(A)	Indian coal production credit is retroactively extended for one year through Dec. 31, 2014.	Federal law provided for tax credits for indian coal production.	The Federal credit was extended by one year through 2014.	Coal produced after Dec. 31, 2013 and before Jan. 1, 2015.
45A(b)(1)(B)	Indian employment tax credit/WOTC coordination rule is clarified for credits taken for wages paid to long-term family assistance recipients.	Federal law provided for a tax credit for a portion of the wages and health insurance provided to native Americans.	The Federal credit was extended by one year through 2014.	Individuals who begin work for the employer after Dec. 31, 2006.
45A(f)	Indian employment credit for wages paid to qualified Native Americans is extended retroactively through Dec. 31, 2014.	Federal law provided for a tax credit for a portion of the wages and health insurance provided to native Americans.	The Federal credit was extended by one year through 2014.	Tax years starting after Dec. 31, 2013 and before Jan. 1, 2015.
45C(b)(1)(D)	Research credit is retroactively extended to apply to amounts paid or incurred after Dec. 31, 2013 and before Jan. 1, 2015.	Federal law provided a tax credit based upon a portion of the cost of performing qualified clinical testing.	The Federal credit was extended by one year through 2014.	Amounts paid or incurred after Dec. 31, 2013 and before Jan. 1, 2015.
45D(f)(1)(G)	New markets tax credit is extended retroactively to apply to calendar year 2014.	Federal law provided a tax credit for making a qualified investment in a community development entity. The primary mission of these entities is to provide investment capital in low-income communities or low-income persons.	The Federal credit was extended by one year through 2014.	Calendar years beginning after Dec. 31, 2013 and before Jan. 1, 2015.
45G(f)	Railroad track maintenance credit for qualified expenditures is extended retroactively to include qualified expenditures paid or incurred during tax years beginning in 2014.	Federal law provided for a tax credit for certain railroad track maintenance costs.	The Federal credit was extended by one year through 2014.	Expenditures paid or incurred during tax years beginning after Dec. 31, 2013 and before Jan. 1 2015.

Section B

Code Section	Topic	Law Before Act	Law After Act	Effective Date
45K(g)(2)(E)	Coke or coke gas produced using steel industry fuel isn't eligible for the nonconventional fuel production credit if the electricity production credit is allowed for the production of that fuel.	Federal tax law provides for a tax credit for producing fuel from nonconventional sources.	Coke or coke gas produced using steel industry fuel no longer qualifies for the credit.	Fuel produced and sold after Sept. 30, 2008.
45L(g)	New energy efficient home credit for eligible contractors is retroactively extended for one year through Dec. 31, 2014.	Under pre-2014 Tax Increase Prevention Act law, an eligible contractor could claim, as part of the general business credit for the tax year, a credit for each qualified new energy efficient home that the contractor constructed and which was acquired by a person from the contractor for use as a residence during the tax year. The credit did not apply to any qualified new energy efficient home acquired after Dec. 31, 2013.	The 2014 Tax Increase Prevention Act extends the new energy efficient home credit for one year, by providing that it does not apply to any qualified new energy efficient homes acquired after Dec. 31, 2014.	Homes acquired after Dec. 31, 2013 and before Jan. 1, 2015.
45N(e)	Mine rescue team training credit is retroactively restored and extended to tax years beginning before Jan. 1, 2015.	Under pre-2014 Tax Increase Prevention Act law, the mine rescue team training credit, a general business credit, was allowed for amounts paid or incurred for training mine rescue teams. The credit did not apply to tax years beginning after Dec. 31, 2013.	The 2014 Tax Increase Prevention Act extends the mine rescue team training credit for one year, by providing that it does not apply to tax years beginning after Dec. 31, 2014.	Tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.
45P(f)	Differential wage payment credit is retroactively extended to apply to payments made before Jan. 1, 2015.	In the case of an employee who is called to active duty to the U.S. uniformed services, some employers voluntarily pay the employee the difference between the compensation that the employer would have paid to the employee during the period of military service and the amount of pay received by the employee from the military. This payment by the employer is often referred to as “differential pay.” Under pre-2014 Tax Increase Prevention Act law, an eligible small business employer could have taken a credit against its income tax liability for a tax year in an amount equal to 20% of the sum of the eligible differential wage payments for each of the taxpayer's qualified employees for the tax year. The credit was not available for payments made after Dec. 31, 2013.	The 2014 Tax Increase Prevention Act extends the availability of the differential wage payment credit for one year, by providing that the differential wage payment credit does not apply to any payments made after Dec. 31, 2014.	Payments made after Dec. 31, 2013 and before Jan. 1, 2015.

Section B

Code Section	Topic	Law Before Act	Law After Act	Effective Date
48(a)(5)(C)(ii)	Election to claim the energy credit in lieu of the electricity production credit for qualified facilities for which no electricity production credit has been allowed is retroactively extended for one year.	For qualified property that is part of a qualified investment credit facility, taxpayers can make an irrevocable election to take a 30% energy credit instead of the electricity production credit. If the taxpayer elects to treat a facility as energy property for purposes of the 30% energy credit, it cannot claim the electricity production credit with respect to that facility. Under pre-2014 Tax Increase Prevention Act law, taxpayers could elect to treat a qualified facility as energy property for purposes of the 30% energy credit if the facility was placed in service after 2008 and its construction began before Jan. 1, 2014.	A taxpayer can treat qualified facilities as energy property for purposes of the 30% energy credit if the facility is placed in service after 2008 and its construction begins before Jan. 1, 2015.	Qualified facilities for which construction begins after Dec. 31, 2013 and before Jan. 1, 2015.
48(d)(3)(A)	Grant made in lieu of Code Section 48 energy credit or Code Section 45 electricity production credit retroactively excluded from alternative minimum taxable income.	Upon application, IRS can provide a grant to each person who places in service "specified energy property" to reimburse the person for a portion of the expense of the property. IRS can't make the grant with respect to any property unless the property is originally placed in service by that person: • during 2009, 2010 or 2011; or • after 2011 and before the "credit termination date" with respect to that property, but only if construction of the property began during 2009, 2010 or 2011. Grants made at the taxpayer's election in lieu of the Code Section 48 energy credit or the Code Section 45 electricity production credit with respect to certain specified energy property or qualified facilities are nontaxable.	The 2014 Tax Increase Prevention Act provides that these grants are also retroactively excludable from alternative minimum taxable income.	Feb. 17, 2009.
48C(b)(3)	Limitation on qualified investment for purposes of the qualifying energy project credit is retroactively clarified.	For purposes of Code Section 46 (which enumerates the items composing the investment credit), the qualifying advanced energy project credit for any tax year is an amount equal to 30% of the qualified investment for that tax year with respect to any qualifying advanced energy project of the taxpayer. Under pre-2014 Tax Increase Prevention Act law, the amount which is treated for all tax years with respect to any qualifying advanced energy project cannot exceed the amount designated by IRS as eligible for the qualifying advanced project credit under Code Section 48C.	The 2014 Tax Increase Prevention Act retroactively clarified this rule by providing that the amount which is treated *as* the qualified investment for all tax years with respect to any qualifying advanced energy project cannot exceed the amount designated by IRS as eligible for the Code Section 48C credit.	Periods after Feb. 17, 2009.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
50(a)(2)(E)	Applicability of rules similar to special Code Section 50 QPE rehabilitation credit recapture rules to the other investment credit component credits is codified.	Special computation methods under Code Section 50(a)(2) apply to the recapture of qualified progress expenditures (QPE) attributable to rehabilitation credit property where the property no longer qualifies for the rehabilitation credit.	The 2014 Tax Increase Prevention Act updates Code Section 50(a)(2)(E) to provide that rules similar to the QPE recapture rules applicable for rehabilitation credit progress expenditures not only apply in cases where QPE were taken into account under Code Section 48(b) for the energy credit, but also in cases where QPE were taken into account under Code Section 48A(b)(3) for the qualified advanced coal project credit, Code Section 48B(b)(3) for the gasification project credit, Code Section 48C(b)(2) for the qualifying energy project credit, or Code Section 48D(b)(4) for the qualifying therapeutic discovery project credit. Thus, the 2014 Tax Increase Prevention Act codifies the rules that IRS had applied in Notices for all component credits of the business investment credit that previously had not been specifically mentioned in Code Section 50(a)(2).	Dec. 19, 2014.
51(c)(4)	Work opportunity credit is retroactively extended to apply for qualified wages paid or incurred by the employer to all individuals who belong to a targeted group and begin working for the employer in 2014.	A work opportunity tax credit (WOTC) is available on an elective basis to an employer for a percentage of limited amounts of wages paid or incurred by the employer to individuals who belong to a "targeted group." Under pre-2014 Tax Increase Prevention Act law, the WOTC isn't available for wages paid or incurred by an employer to any individual who is a member of a targeted group and who begins work for the employer after Dec. 31, 2013.	The 2014 Tax Increase Prevention Act provides that the term "wages" (for purposes of determining the amount of the WOTC) doesn't include any amount paid or incurred to an individual who begins work for the employer after Dec. 31, 2014.	Individuals who begin work for the employer after Dec. 31, 2013 and before Jan. 1, 2015.

Section B

Code Section	Topic	Law Before Act	Law After Act	Effective Date
54E(c)(1)	QZAB program is extended through 2014, but direct-pay QZABs are barred after 2010.	Qualified zone academy bonds (QZABs) are a type of qualified tax credit bond entitling the holder to a nonrefundable tax credit. The amount of QZABs that can be issued for a calendar year is subject to a national limitation. IRS allocates this limitation among the states, the District of Columbia, and U.S. possessions based on the percentage of individuals below the poverty line in their respective populations. A state can carry over any unused limitation for up to two years. Under pre-2014 Tax Increase Prevention Act law, no QZABs could be issued after 2013 other than through a state's carryover of its unused limitation from an earlier year. Issuers of “specified tax credit bonds,” including QZABs, can elect to claim a refundable tax credit under Code Section 6431 in lieu of any tax credit otherwise allowed to the bondholder (“direct-pay bonds”). Under pre-2014 Tax Increase Prevention Act law, QZABs issued using an allocation of the 2011 national bond limitation (or a carryforward of that allocation) couldn't be direct-pay bonds. However, QZABs issued using allocations or carryforwards from 2012 or later years could be direct-pay bonds.	The 2014 Tax Increase Prevention Act retroactively extends the QZAB program for calendar year 2014 and authorizes the issuance of up to $400 million of QZABs for that year. The 2014 Tax Increase Prevention Act provides that the definition of a “specified tax credit bond,” which includes a QZAB, is determined without regard to any allocation of the national QZAB limitation for years after 2010 or any carryforward of any such allocation. So, the bar on direct-pay QZABs also applies to the $400 million national limitation for 2014 that was added by the 2014 Tax Increase Prevention Act.	Obligations issued after Dec. 31, 2013.

Section B

Code Section	Topic	Law Before Act	Law After Act	Effective Date
55(d)(4)	Post-2012 inflation adjustment to AMT exemption amounts is clarified.	For tax years beginning after 2012, the following statutory Alternative Minimim Tax (AMT) amounts are adjusted for inflation, using the consumer price index (CPI) computation in Code Section 1(f)(3) but substituting calendar year 2011 for calendar year 1992: • the exemption amounts for marrieds filing jointly/surviving spouses, unmarried individuals, estates or trusts, and, under pre-2014 Tax Increase Prevention Act law, marrieds filing separately; • the exemption amount phase-out thresholds; • the $175,000 amount used to compute the tentative minimum tax. Under pre-2014 Tax Increase Prevention Act law, any increase determined under the inflation adjustment was rounded to the nearest multiple of $100.	The 2014 Tax Increase Prevention Act provides that the inflation adjustment applies only to the exemption amounts for marrieds filing jointly/surviving spouses, unmarried individuals, and estates and trusts—and not to the exemption amount for marrieds filing separately. The exemption amount for marrieds filing separately is automatically adjusted for inflation by virtue of the fact that it is half of the inflation-adjusted exemption amount for marrieds filing jointly. The 2014 Tax Increase Prevention Act also provides that rounding to the nearest multiple of $100 applies to any increased amount—rather than any increase—determined under the inflation adjustment. The statutory exemption amount for marrieds filing jointly to which the post-2012 inflation adjustment is applied is $78,750. Rounding the increase due to inflation to the nearest multiple of $100, rather than rounding the increased amount to the nearest multiple of $100, could produce a different result in this case because the starting point for the calculation, $78,750, isn't a multiple of $100.	Tax years beginning after Dec. 31, 2011.

Section B

Code Section	Topic	Law Before Act	Law After Act	Effective Date
142(d)(2)(B)(ii)	Military housing allowance exclusion for tax-exempt bond financing and low-income housing credit is retroactively extended through 2014.	The 2008 Housing Act added Code Section 142(d)(2)(B)(ii), which excludes certain basic military housing allowances under 37 USC 403 made with respect to any qualified building from the definition of gross income for purposes of determining area median gross income (AMGI) under the tax-exempt bond financing rules and for purposes of determining the low income housing credit. 37 USC 403 authorizes payment of a basic allowance for housing (BAH) to members of the U.S. Armed Forces. The BAH is a monthly payment based on civilian rental costs by pay grade, dependency status, and location. So, any amount paid as a BAH to a service member occupying a unit in a "qualified building" (i.e., military housing meeting certain requirements) wasn't included in the member's income for purposes of determining whether the building meets the applicable set-aside test to be a "qualified residential rental project." That is, the BAH wouldn't cause the building to not qualify for tax-exempt bond financing.	The 2014 Tax Increase Prevention Act retroactively amends the 2008 Housing Act to extend application of the Code Section 142(d)(2)(B)(ii) income exclusion to income determinations made before Jan. 1, 2015. That is, the provision retroactively extends the special rule excluding BAH from income for one additional year through Dec. 31, 2014.	Income determinations made after July 30, 2008 and before 2015.
164(b)(5)(I)	Election to claim itemized deduction for state/local sales taxes is retroactively extended through 2014.	Under pre-2014 Tax Increase Prevention Act law, taxpayers could—for tax years beginning after Dec. 31, 2003 and before Jan. 1, 2014—elect to take an itemized deduction for state and local general sales taxes instead of an itemized deduction for state and local income taxes.	The 2014 Tax Increase Prevention Act modifies the election provision to make it applicable before "Jan. 1, 2015" (instead of before Jan. 1, 2014). That is, the provision retroactively extends the election to deduct state and local sales taxes in lieu of state and local income taxes for one year, through 2014.	Tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.
164(b)(6)(E)	Pre-2010 deduction for state sales and excise taxes paid on qualified motor vehicles purchased after Feb. 16, 2009 and before Jan. 1, 2010 is clarified.	Under pre-2014 Tax Increase Prevention Act law, a special rule in Code Section 164(b)(6)(E) provided that the last sentence of Code Section 164(a) didn't apply to any qualified motor vehicle taxes. Code Section 164(b)(6)(E) was an unnecessary provision, as the rule provided in the last sentence of Code Section 164(a) didn't, in fact, apply to qualified motor vehicle taxes.	The 2014 Tax Increase Prevention Act retroactively removes the Code Section 164(b)(6)(E) rule.	For purchases after Feb. 16, 2009 and before Jan. 1, 2010.

Section B

Code Section	Topic	Law Before Act	Law After Act	Effective Date
402A(c)(4)(E)	In-plan Roth rollovers in 403(b) custodial accounts will not be treated as violating custodial account distribution limitations.	Distributions eligible for in-plan Roth rollovers must be eligible rollover distributions, within the meaning of Code Section 402(c). Additionally, under Code Section 402A(c)(4)(E), a plan is not treated as violating various restrictions by making the in-plan Roth rollover, including, under pre-2014 Technical Corrections Act law, the Code Section 403(b)(7)(A)(i) restriction that amounts held in a 403(b) custodial account be invested in stock of a regulated investment company.	The 2014 Tax Increase Prevention Act eliminates the existing reference to Code Section 403(b)(7)(A)(i) that appears in Code Section 402A(c)(4)(E)(iii), and substitutes a reference to Code Section 403(b)(7)(A)(ii).	Dec. 19, 2014.
527	Statutory reference to Federal Election Campaign Act of 1971 updated in Code Section 527.	IRC pointed to outdated statutory references where the Federal Election Campaign Act of 1971 was codified in the US Code.	Clerical correction brings IRC up to date with current structure of the US Code.	Dec. 19, 2014.
853A	Pass-through of tax credit bond credits by RICs and REITs is modified.	RICs can pass through tax credit bond credits; there are impacts to the RIC and its shareholders.	Clarifies and simplifies language of the impact to the RIC and shareholders.	Tax years ending after Feb. 17, 2009.
871(k)(1)(C)	Withholding tax exemption for RIC interest-related dividends and short-term capital gains dividends paid to foreign persons is extended for tax years beginning in 2014.	Withholding tax exemption for RIC interest-related dividends and short-term capital gains dividends paid to foreign persons expired Dec. 31, 2013.	Exemption was extended to Dec. 31, 2014.	Tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.
907(f)(4)(A)	Transition rules for pre-2009 foreign oil and gas extraction income (FOGEI) credit carryovers amended.	Specified transition rule regarding how pre-2009 FOGEI credits could be taken into account.	Increases availability of pre-2009 FOGEI credits retroactive to passage of Energy Improvement and Extension Act of 2008.	Tax years beginning after Dec. 31. 2008.
911(f)(2)(B)(ii)	Computation of AMT where foreign earned income or housing exclusion is claimed is corrected.	Deals with computation of AMT on capital gains of taxpayers eligible for foreign earned income exclusion.	Clarifies how tax is to be computed.	Tax years beginning after Dec. 31, 2012.
936	Possessions tax credit for American Samoa extended through 2014.	US corporation that is an existing claimant of the US Possessions Credit with respect to operations in American Samoa may still claim a version of the credit for tax years beginning up through Dec. 31, 2013.	Credit availability is extended to tax years beginning in 2014.	Tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.

Section B

Code Section	Topic	Law Before Act	Law After Act	Effective Date
1391(d)(1)(A)(i) & (B)	Empowerment zone designation period is retroactively extended through Dec. 31, 2014	Certain distressed urban and rural areas nominated by state or local governments can be designated as empowerment zones eligible for special tax incentives. Under pre-2014 Tax Increase Prevention Act law, the designation period for an empowerment zone began on the date of its designation and ended on the earliest of: (a) Dec. 31, 2013; (b) the termination date designated by the state and local governments in their nomination of the area; or (c) the date the appropriate secretary (the Secretary of Housing and Urban Development in the case of an urban area, and the Secretary of Agriculture in the case of a rural area) revoked the designation.	The 2014 Tax Increase Prevention Act provides that the earliest termination date for an empowerment zone designation is Dec. 31, 2014.	Periods after Dec. 31, 2013 and before Jan. 1, 2015.
2801(a)(1)	Clerical amendments regarding covered gifts or bequests related to Section 302 of the 2010 Tax Relief Act.	There is a special transfer tax on any U.S. citizen who receives any "covered gift or bequest" from a "covered expatriate."	The 2014 Tax Increase Prevention Act strikes the language in Code Section 2801(a)(1) that reads "or, if greater, the highest rate of tax specified in the table applicable under Section 2502(a) as in effect on that date."	Tax years beginning after Dec. 31, 2009.
4281(d)	Exemption from air transportation excise taxes for small aircraft operated on nonestablished lines is clarified for helicopters and propeller aircraft.	Under pre-2014 Tax Increase Prevention Act law, the Code didn't define "jet aircraft" to which the Code Section 4281 exemption for small aircraft operated on nonestablished lines may not apply.	The 2014 Tax Increase Prevention Act modifies the Code Section 4281 exemption for small aircraft operated on nonestablished lines to add that for purposes of the exemption, the term "jet aircraft" won't include any aircraft that is a rotorcraft or propeller aircraft.	For taxable transportation provided after Mar. 31, 2012.
4943(e)(3)(B)	Phase-in beginning date for transitional rules applicable to donor advised funds and supporting organizations is changed to Jan. 1, 1971.	An initial tax is imposed on a private foundation's excess business holdings in a business enterprise during any tax year ending during the taxable period. The amount of the tax is 10% of the value of the excess business holdings.	The 2014 Tax Increase Prevention Act changes the original phase-in date of Jan. 1, 1970 to Jan. 1, 1971, for the transitional rules with respect to donor advised funds and for supporting organizations.	Dec. 19, 2014.
4971(g)	"Additional funding rules" for multiemployer pension plans in endangered or critical status are extended to plan years beginning before Jan. 1, 2016.	Under pre-2014 Tax Increase Prevention Act law, as per the 2006 Pension Protection Act, the additional funding rules for plans in endangered or critical status, including the related excise taxes, were no longer to apply to plan years beginning after Dec. 31, 2014.	The 2014 Tax Increase Prevention Act has extended, for one year, the applicability of the additional funding rules for multiemployer plans in endangered or critical status. Thus, the additional funding rules will continue to apply for plan years beginning after Dec. 31, 2014, and will not expire until plan years beginning after Dec. 31, 2015.	Plan years beginning after Dec. 31, 2014.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
4982(e)	Definition for RIC income related to excise tax is amended.	An excise tax is imposed on a RIC for a calendar year equal to 4% of the excess (if any) of the required distribution over the distributed amount.	The 2014 Tax Increase Prevention Act amends the RIC excise tax to provide that a specified mark-to-market provision includes not only provisions under the Code or regs that treat property as disposed of on the last day of the tax year, but also provisions that determine income by reference to the value of an item on the last day of the tax year.	Tax years beginning after Dec. 22, 2010 for RIC income tax amendments. Calendar years beginning after Dec. 22, 2010 for excise tax amendments.
6045(g)(6)	Broker reporting of basis and character of gain or loss for stock held in a dividend reinvestment plan is clarified.	Every broker that is required to file an information return reporting the gross proceeds of a “covered security” has to include in the return: the customer's adjusted basis in the security, and whether any gain or loss with respect to the security is short term or long term under Code Section 1222.	For stock for which an average basis method is permissible, the basis reporting requirements apply to stock acquired after Dec. 31, 2011. Unless a broker elects otherwise, basis reporting for DRP stock remains mandatory only for stock acquired on or after Jan. 1, 2012.	Stock acquired after Dec. 31, 2011.
6213(g)(2)	Omission of required social security number for 2008 recovery rebate credit is "mathematical or clerical error" for summary assessment purposes.	Under pre-2014 Tax Increase Prevention Act law, IRS could summarily assess a mathematical or clerical error regarding the recovery rebate credit only if the taxpayer included a TIN, and the TIN was for a taxpayer who was of an age different from the age required to receive a credit. This rule would authorize a summary assessment where a recovery rebate credit was claimed for a child who turned out, based on his social security number, to be age 17 or older. However, it wouldn't allow IRS to make a summary assessment where the social security number of the taxpayer, spouse, or qualifying child was omitted altogether.	The 2014 Tax Increase Prevention Act provides that IRS can summarily assess a mathematical or clerical error if a taxpayer omitted on a return a correct valid identification number, i.e., a social security number, that was required to receive a recovery rebate credit.	Taxpayer's first tax year beginning in 2008.
6405(a) & (b)	Threshold is increased from $2 million to $5 million for Joint Committee on Taxation review of C corporation refunds or credits.	No refund or credit over $2 million, of any income, estate, or gift tax, or any excise tax imposed with respect to public charities, private foundations, operators' trust funds, pension plans, or real estate investment trusts (REITs) can be made, unless IRS submits a report to the Congressional Joint Committee on Taxation (JCT). Under pre-2014 Tax Increase Prevention Act law, there was no special provision in the threshold rule for C corporations.	The 2014 Tax Increase Prevention Act increases the above threshold to $5 million for C corporations.	Dec. 19, 2014.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
6426 & 6427	Alcohol Fuel, Biodiesel and Alternative Fuel Credits.	Income and excise tax credits/refunds.	Extended retroactively through 2014.	Applies to fuel sold or used after Dec. 31, 2013 and before Jan. 1, 2015.
6431(f)(3)(A)(iii)	Qualified Zone Academy Bonds.	Income tax credit for certain bonds.	Extended retroactively for bonds issued in 2014.	Obligations issued after Dec. 31, 2013.
6511(d)(8)(A)	Extended refund claim limitations period transition rule for VA's disability determinations made after Dec. 31, 2000 and on or before June 17, 2008 is corrected.	The prior law indicated that the limitation period extension rule is to be applied by substituting for “the date of such determination” but didn't say what to substitute.	For a disability determination made after Dec. 31, 2000, and on/or before June 17, 2008, the period for filing a claim for credit or refund for a tax year that begins after Dec. 31, 2000 was extended until one year after June 17, 2008 if that was later than the time periods allowed under the general statute of limitations for credit and refund claims.	Credit or refund claims for tax years beginning after Dec. 31, 2000, for VA disability determinations made after Dec. 31, 2000 and on or before June 17, 2008.
6722	Increases in information return and payee statement penalties apply to information returns and payee statements due after 2010.	Penalties enacted in 2010 for certain information returns and statements.	Penalty increased and modified.	Information returns required to be filed and payee statements required to be furnished on or after Jan. 1, 2011.
None	RIC's Modernization Act capital loss carryover rules amended for excise tax purposes.	Technical Correction needed to clarify IRS position.	The 2014 Tax Increase Prevention Act provides that, for purposes of determining a RIC's capital gain net income for purposes of the RIC excise tax, the RIC Modernization Act rules apply for the one-year period ending on Oct.31 of calendar years ending after Dec. 31, 2010.	Tax years beginning after Dec. 22, 2010.
None	Covered gifts or bequests related to Section 302 of the 2010 Tax Relief Act.	There is special transfer tax on any U.S. citizen or resident who receives any “covered gift or bequest” from a “covered expatriate.” The tax applies to any “covered gift or bequest” valued in excess of the annual exclusion amount in effect for gift tax purposes in the year of the transfer.	Technical correction.	Tax years beginning after Dec. 31, 2009.
None	Government retiree credit for 2009 is allowed for retirees of state political subdivisions.	To be eligible for the government retiree credit, the government pension or annuity had to have been received for work performed as an employee of the U.S. or any state, or an instrumentality thereof.	This provision clarifies that retirees from employment with a state political subdivision, such as a county or municipality, were eligible for a government retiree pension for 2009 if they received a government pension or annuity for work that wasn't covered by social security.	Feb. 17, 2009.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
None	Rules for the 2009 government retiree credit are provided for residents of U.S. possessions.	Law provided no special rules for residents of U.S. possessions.	The U.S. Treasury will make a payment to each U.S. possession with a mirror code tax system equal to the loss to that possession by reason of the government retiree credit.	Feb. 17, 2009.

Achieving a Better Life Experience Act of 2014

Code Section	Topic	Law Before Act	Law After Act	Effective Date
4042(b)(2)(A)	Retail excise tax on inland waterways fuels is increased by 9¢ per gal. for fuel used after Mar. 31, 2015.	Under pre-2014 ABLE Act law the inland waterways fuel tax equalled: • 20.1¢ per galllon through Sept. 30, 2016; and • 20¢ per galllon after Sept. 30, 2016.	The inland waterways fuel tax equals: • 20.1¢ per gallon through Mar. 31, 2015; • 29.1¢ per gallon for the period Apr.1, 2015 through Sept. 30, 2016; and • 29¢ per gallon after Sept. 30, 2016.	For fuel used after Mar. 31, 2015.
4965(c)(8)	Tax-advantaged ABLE accounts can be used to pay qualified disability expenses of beneficiaries who are blind or disabled.	Excise tax on certain tax-exempt entities entering into prohibited tax shelter transactions.	Qualified ABLE programs are now included in list of tax-exempt entities subject to excise tax on prohibited transactions.	Tax years beginning after Dec. 31, 2014.
4973(a)(6) & (h)	Tax-advantaged ABLE accounts can be used to pay qualified disability expenses of beneficiaries who are blind or disabled.	Excise tax on excess contributions to certain tax-favored accounts and annuities.	Contributions to qualified ABLE programs are now included in list of tax on excess contributions.	Tax years beginning after Dec. 31, 2014.
6331(h)(3)	Increase in continuous levy for payments to Medicare providers.	As part of the continuous levy program, a file of delinquent taxpayer accounts will be transmitted to the Financial Management Services (FMS) to be matched against pending Federal payments. When a match is found, IRS will send the taxpayer a final notice of intent to levy with appeal rights if one has not already been issued. If the taxpayer does not respond, IRS will transmit the levy electronically to FMS.	The 2014 Achieving A Better Life Act provides that “specified payments due to a Medicare provider or supplier under Title XVIII of the Social Security Act” are subject to a 30% continuous levy rate. This change will help the IRS collect taxes more effectively from Medicare providers, especially now that CMS has incorporated its payments into the continuous levy program.	Payments made 180 days after Dec.19, 2014.
6651(c)&(i)	Penalty for failure to file a tax return is increased for inflation.	Penalty.	Indexed for inflation for years after 2014.	Tax returns required to be filed after Dec. 31, 2014.
6652(c)(6)	Penalties for failure to file tax return by exempt organizations and trusts are increased for inflation.	Penalty.	Indexed for inflation for years after 2015.	Tax returns required to be filed after Dec. 31, 2014.
6652(n)	Taxpayers failing to make reports regarding certain employment taxes are subject to penalties.	Penalty.	Extended retroactively.	With respect to wages for services performed on or after Jan. 1 of the first calendar year beginning more than 12 months after Dec. 19. 2014.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
6693(a)(2)(E)	Qualified ABLE programs must comply with reporting requirements.	Penalty.	Extended retroactively.	Tax years beginning after Dec. 31, 2014.
6695(h)	Penalties imposed upon tax preparers are increased for inflation.	Penalty.	Extended retroactively.	Tax returns required to be filed after Dec. 31, 2014.
6698(e)	Penalty for failure to file partnership returns is increased for inflation.	Penalty.	Extended retroactively.	Tax returns required to be filed after Dec. 31, 2014.
6699(e)	Penalty for failure to file S Corporation returns is increased for inflation.	Penalty.	Extended retroactively.	Tax returns required to be filed after Dec. 31, 2014.
6721(f)(1)	Computation of information return penalties is modified.	Penalty.	Extended retroactively.	Tax returns required to be filed after Dec. 31, 2014.
6722(f)(1)	Computation of payee statement penalties is modified.	Penalty.	Penalty increased and modified.	Tax returns required to be filed after Dec. 31, 2014.

2014 Multiemployer Pension Reform Act

Code Section	Topic	Law Before Act	Law After Act	Effective Date
None	No sunset of PPA rule allowing five-year extension of multiemployer plan funding amortization period.	A multiemployer plan must establish and maintain a funding standard account, the balance of which determines whether the plan has an “accumulated funding deficiency.” A multiemployer plan with an accumulated funding deficiency for a plan year won't meet the Code Section 412 minimum funding rules, and is subject to an excise tax on the underfunding.	Act eliminates the sunset provision that would have applied to the automatic five-year extension of the full-funding amortization periods for multiemployer plans.	Dec. 16, 2014.

2014 Airlines Bankruptcy Payments Rollover Act

Code Section	Topic	Law Before Act	Law After Act	Effective Date
402	Time to file refund claim extended for amounts received in airline carrier bankruptcy which were rolled over to IRAs.	Under the 2012 FAA Modernization Act, subject to a 90% limit, if a qualified airline employee receives any airline payment amount, and transfers any portion of that amount to a traditional IRA (i.e., an ind. retirement plan which is not a Roth IRA) within 180 days of the payment's receipt (or, if later, by Aug. 12, 2012), then that transferred amount is treated as a tax-free rollover contribution.	The 2014 Airline Bankruptcy Payments Rollover Act extends the time for a qualified airline employee who excluded an amount from gross income in an earlier tax year under the above rules to make a refund claim until the later of the end of the statutory period of limitations or Apr. 15, 2015. In addition, the Act broadens the definition of an airline payment amount to include cases filed under the approval of an order of a Federal bankruptcy court on Nov. 29, 2011 and the definition of a qualified airline employee to include plans that were frozen effective Nov. 1, 2012.	Dec. 18, 2014.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
Tribal Welfare Exclusion Act of 2014				
6501	Audits and examinations of Indian tribal governments and tribal members regarding the general welfare exclusion are temporarily suspended.	IRS audits and examinations often challenged whether particular Indian governmental programs were “programs for the promotion of the general welfare” that qualified under the general welfare exclusion. To reduce controversies, IRS issued Rev. Proc. 2014-35, which provides safe harbor rules under which IRS will conclusively presume that certain payments from Indian tribes to tribal members and qualified non-members (e.g., spouses and dependents) are excludible from gross income under the general welfare exclusion, if specified requirements are met. But Rev. Proc. 2014-35 applies only to the 23 qualifying programs (e.g., for housing, education, elder care, cultural and other assistance) specifically listed in the revenue procedure.	The 2014 Tribal Welfare Exclusion Act requires that IRS suspend all audits and examinations of Indian tribal governments and members of Indian tribes (or any spouse or dependent of a tribe member) to the extent the audit or examination relates to the exclusion of a payment or benefit from an Indian tribal government under the general welfare exclusion, until the education and training of IRS field agents is completed.	Sept. 26, 2014.
Highway and Transportation Funding Act of 2014				
None	25-year pension smoothing not allowed in determining a plan's adjusted funding target attainment percentage where the plan sponsor is in bankruptcy.	For plan sponsors in bankruptcy, the limit on making prohibited payments no longer applies once the plan's actuary certifies that the plan's AFTAP is at least 100%.	Where the plan sponsor is in bankruptcy, an enrolled actuary's certification that the plan's AFTAP is not less than 100% (for purposes of the exception to the restriction on the plan from making prohibited payments), must be made without using 25-year pension smoothing under Code Section 430(h)(2)(C)(iv).	Plan years beginning after Dec. 31, 2014.
CSEC Pension Flexibility Act				
4971(h)	Cooperative and small employer charity (CSEC) plan sponsors subject to $100 per day penalty for failing to adopt funding restoration plan.	The 2010 Medicare and Pension Relief Act expanded the delayed effective date rule of PPA Section 104 to include “eligible charity plans” in addition to eligible cooperative plans.	If a CSEC plan sponsor fails to adopt a funding restoration plan, the sponsor may be subject to a $100 per day penalty. Specifically, if a CSEC plan is in funding restoration status, and the plan sponsor fails to adopt a funding restoration plan within 180 days as required under Code Section 433(j)(3), then an excise tax will be imposed.	Plan years beginning after Dec. 31, 2013.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
2013 Influenza Vaccine Act				
4132(a)(1)(N)	All vaccines against seasonal influenza are made subject to 75¢ per dose manufacturers excise tax.	Under pre-2013 Influenza Vaccine Act law, commonly prescribed vaccines were listed as taxable vaccines.	The 2013 Influenza Vaccine Act adds, in addition to trivalent vaccines, any other vaccine against seasonal influenza to the list of vaccines subject to the manufacturers excise tax.	Sales and uses on or after Nov. 12, 2013.

ORS change necessary: A change to the ORS is necessary in order to conform to this Federal provision. To increase taxpayer compliance, it is recommended that Oregon Statutes be amended to conform as closely as possible to this change.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
Tax Increase Prevention Act of 2014				
32(b)(3)(B)(ii)	Inflation adjustment of the $5,000 increase to the EIC phaseout threshold amount for joint filers is corrected to apply annually.	Federal law provided an inflation adjustment to the amount of Federal earned income tax credit.	The inflation adjustment to the Federal credit was corrected. The Oregon credit is a fixed percentage of the Federal credit (ORS 315.266) through 2014 (ORS 315.004).	Tax years beginning after Dec. 31, 2010.
114	Amendment relating to the 2005 and 2006 extraterritorial income exclusion transition rules.	The American Jobs Creation Act of 2004 repealed Code Section 114 (Extraterritorial Income) for transactions occurring after Dec. 31 2004. Before their repeal, the extraterritorial income (ETI) provisions provided that gross income didn't include ETI that was qualifying foreign trade income. The repeal was subject to transition rules under Section 101(d) of the 2004 Jobs Act for transactions occurring in 2005 and 2006. For transactions occurring in 2005 and 2006, the amount of ETI includible in gross income by reason of the repeal could not exceed the applicable percentage of the amount (20% for 2005, 40% for 2006) which would otherwise have been included but for this transition rule.	The 2014 Technical Corrections Act amends the transition rule under Section 101(d) of the 2004 Jobs Act by providing that the transition rule will be applied without regard to any deduction allowable under Code Section 199. Under the Code Section 199 domestic production activities deduction, taxpayers are allowed a deduction equal to 9% of the taxpayer's “qualified production activities income” for the tax year.	For transactions occurring in 2005 or 2006.
199	Amendment relating to the 2005 and 2006 extraterritorial income exclusion transition rules.	The repeal was subject to transition rules under Section 101(d) of the 2004 Jobs Act for transactions occurring in 2005 and 2006. For transactions occurring in 2005 and 2006, the amount of ETI includible in gross income by reason of the repeal could not exceed the applicable percentage of the amount (20% for 2005, 40% for 2006) which would otherwise have been included but for this transition rule.	The 2014 Technical Corrections Act amends the transition rule under Section 101(d) of the 2004 Jobs Act by providing that the transition rule will be applied without regard to any deduction allowable under Code Section 199. 2004 Jobs Act Section 101(d) (Section 101(d), PL 108-357, Oct. 22, 2004) as amended by 2014 Tax Increase Prevention Act Section 219(a)DivA.	For transactions occurring in 2005 or 2006.
199(b)(3)	IRS is given specific authority to issue regs on the application of the 50%-of-W-2-wages limitation on the DPAD in short tax years.	Under pre-2014 Tax Increase Prevention Act law, Code Section 199(b)(3) specifically required that IRS provide guidance on the application of the 50%-of-W-2-wages limitation in cases where the taxpayer acquires, or disposes of, the major part of a trade or business or the major part of a separate unit of a trade or business during the tax year.	The 2014 Tax Increase Prevention Act retroactively amends Code Section 199(b)(3) to require that IRS also provide guidance on the application of the 50%-of-W-2-wages limitation in a short tax year.	Tax years beginning after Dec. 31, 2004.

Section C

Code Section	Topic	Law Before Act	Law After Act	Effective Date
199(d)(8)(C)	Allowance of DPAD for Puerto Rico activities is retroactively extended one year to apply to taxpayer's first nine tax years beginning after 2005.	Under pre-2014 Tax Increase Prevention Act law, these special rules for Puerto Rico applied only for the first eight tax years of a taxpayer beginning after Dec. 31, 2005 and before Jan. 1, 2014.	The 2014 Tax Increase Prevention Act amends the special DPAD provision for Puerto Rico activities to make it apply for the first nine tax years of a taxpayer (Code Section 199(d)(8)(C) as amended by 2014 Tax Increase Prevention Act Section 130(a)(1)DivA) for tax years beginning before Jan. 1, 2015.	Tax years beginning after Dec. 31, 2013 and before Jan. 1, 2015.

Section E

These Acts reference the tax code, but the majority of the provisions do not impact income tax law. We have not analyzed these Acts in full and have noted with an asterisk (*) items that may be of interest and warrant further consideration by Oregon. We have analyzed any relevant tax provisions and they are included in Recommendations A through C above.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
Achieving a Better Life Experience Act of 2014				
529A*	ABLE accounts are disregarded for most Federal means-tested programs, but account balances over $100,000 are taken into account under SSI.	No provision.	ABLE accounts are disregarded for most Federal means-tested programs, but account balances over $100,000 are taken into account under SSI.	Dec. 19, 2014.
529A*	Contributions to ABLE account for debtor's child or grandchild get limited bankruptcy protection.	No provision.	Contributions to ABLE account for debtor's child or grandchild get limited bankruptcy protection.	Bankruptcy cases begun on or after Dec. 19, 2014.
529A(d)	Qualified ABLE programs must comply with reporting requirements.	No provision.	IRC requires statistical reporting by the ABLE program to the US Treasury.	Tax years beginning after Dec. 31, 2014.
3302(h), 3303(a)(4) & 3511*	After 2015, businesses can shift their payroll-tax liability to IRS-certified professional employer organizations (PEOs).	Under pre-2014 ABLE Act law, businesses that used a PEO found it difficult to prove that the PEO was the employer. Further, the perceived potential for abuse in PEO arrangements caused IRS to increase employment tax audits, resulting in increased risk for penalties.	The 2014 ABLE Act adds two new Code Sections: Code Section 7705, which defines “certified professional employer organizations” and Code Section 3511, on the employment-tax liability of certified PEOs and their customers. Reference is also added to FUTA credit for state unemployment insurance.	For wages for services performed on or after Jan. 1, 2016.
6053(c)(8)*	Customer for whom a work site employee performs services is the employer for certain information reporting purposes.	Under pre-2014 ABLE Act law, when a business contracts with a professional employer organization (PEO) to administer its payroll functions, the business customer remains responsible for all withholding taxes with respect to its employees. Therefore, even though the PEO pays the employees, the customer remains liable if the PEO fails to withhold or remit the taxes or otherwise comply with related reporting requirements.	The 2014 ABLE Act adds Code Section 3511, which allows a “certified PEO” to become solely responsible for the customer's employment taxes. For purposes of any report required by the Code Section 6053(c) large food and beverage establishment reporting requirements (tips), in the case of a certified PEO that is treated under Code Section 3511 as the employer of a work site employee, the customer with respect to whom a work site employee performs services is the employer for purposes of the Code Section 6053 reporting requirements.	With respect to wages for services performed on or after Jan. 1 of the first calendar year beginning more than 12 months after Dec. 19, 2014.
7528(b)(4)*	PEO certifications subject to $1,000 IRS annual user fee.	Fee imposed in order to file reports.	Increase in fee.	Dec. 19, 2014.
7705*	After 2015, businesses can shift their payroll-tax liability to IRS-certified professional employer organizations (PEOs).	Professional employer organization allowed to file certain returns.	Taxpayers now allowed to shift responsibility for reports.	For wages for services performed on or after Jan. 1, 2016.

Code Section	Topic	Law Before Act	Law After Act	Effective Date
2015 Appropriations Act				
None	Expatriate health plans to be excluded from group health plan requirements enacted by Affordable Care Act.	The Affordable Care Act (ACA), enacted various provisions requiring group health plans to meet various requirements.	While there is no exclusion from these requirements for expatriate health plans, the administering agencies have provided for transitional relief from these requirements for expatriate health plans, for plan years ending on or before Dec. 31, 2015.	Expatriate health plans issued or renewed on or after July 1, 2015.