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116TH CONGRESS
2D SESSION

S. 3612

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

IN THE SENATE OF THE UNITED STATES

MAY 5, 2020

Mr. CORNYN (for himself, Mr. GRASSLEY, Mr. WYDEN, Mr. RUBIO, and Mr. CARPER) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

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

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Ex-
5 pense Protection Act of 2020”.

6 **SEC. 2. CLARIFICATION OF TREATMENT OF BUSINESS EX-**
7 **PENSES.**

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

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

3 “(1) any amount”,

4 (2) by striking the period at the end and insert-
5 ing “, and”, and

6 (3) by adding at the end the following new
7 paragraph:

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

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

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