

# **Bond Case Briefs**

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## **NABL: Disaster Tax Relief Bills Introduced in House and Senate.**

Legislation has been introduced in both the House and Senate that would provide tax relief to areas affected by disasters. The bills, which include several bond provisions, would create a new section in the Internal Revenue Code for qualified disaster area recovery bonds (which will inevitably be referred to as QDARBs). These bonds would be treated as an exempt facility bond and would not be subject to section 146, but the maximum amount a state can issue would be \$10 billion. The bonds must be issued by a state or political subdivision that is part of the federally-declared qualified disaster area. At least 95% of the proceeds must be used for qualified project costs.

Both bills have bipartisan support. In the Senate, [S. 1795](#) has been referred to the Finance Committee. [H.R. 3110](#) has been referred to the House Committee on Ways and Means.