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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R.

To provide an election to resolve certain open partnership controversies involving donations of conservation easements.

IN THE HOUSE OF REPRESENTATIVES

Mr. CAREY introduced the following bill; which was referred to the Committee on _____

A BILL

To provide an election to resolve certain open partnership controversies involving donations of conservation easements.

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 “Historic Preservation
5 and Land Conservation Certainty Act”.

6 **SEC. 2. ELECTION TO RESOLVE CERTAIN OPEN PARTNER-**
7 **SHIP CONTROVERSIES INVOLVING DONA-**
8 **TIONS OF CONSERVATION EASEMENTS.**

9 (a) **DEFINITIONS.**—For purposes of this section—

1 (1) ELIGIBLE CONTRIBUTION.—The term “eli-
2 gible contribution” means any qualified conservation
3 contribution (as defined in section 170(h)(1) of the
4 Internal Revenue Code of 1986) made by a partner-
5 ship in a taxable year ending on or before December
6 31, 2024, with respect to which a deduction was
7 claimed under section 170 of such Code on the part-
8 nership return for such year. For purposes of this
9 section, such contribution shall be treated as made
10 by the partnership that was the donor of the con-
11 tributed property for purposes of section 170 of such
12 Code, determined without regard to any agency or
13 nominee arrangement.

14 (2) CLAIMED DEDUCTION.—The term “claimed
15 deduction” means the aggregate amount of the de-
16 duction with respect to an eligible contribution that
17 was allocable to the ultimate taxpayer partners, as
18 reported on Schedule K–1 or similar statements fur-
19 nished (directly or indirectly through 1 or more
20 pass-through entities) to such partners for the tax-
21 able year in which such deduction is taken into ac-
22 count under section 706(a), section 1366(a), or
23 other applicable provision of the Internal Revenue
24 Code of 1986, including any amendments filed on or
25 before the date the election statement is filed. In de-

1 termining the claimed deduction, the electing part-
2 nership may rely on reported amounts (as amended)
3 unless it has actual knowledge that a different
4 amount was allocable to ultimate taxpayer partners,
5 and may rely on written representations from upper-
6 tier pass-through entities. Any discrepancy between
7 the amount used in the election statement and the
8 actual aggregate amount shall be subject to adjust-
9 ment under subsection (h), but shall not by itself in-
10 validate the election.

11 (3) OPEN MATTER.—The term “open matter”
12 means, with respect to any eligible contribution, a
13 contribution with respect to which—

14 (A) as of the date the election statement is
15 filed, the period for assessment of any tax im-
16 posed by chapter 1 of the Internal Revenue
17 Code of 1986 that is attributable to such con-
18 tribution has not expired (determined after the
19 application of section 6501 of such Code (in-
20 cluding any extension under section 6501(c)(4)
21 of such Code and any suspension under section
22 6503 of such Code) and, to the extent applica-
23 ble, section 6229 of such Code (as in effect for
24 partnership taxable years beginning before Jan-

1 uary 1, 2018) and section 6235 of such Code);
2 or

3 (B) the Secretary has issued to the part-
4 nership, the applicable partnership representa-
5 tive, or any person authorized to act for the
6 partnership, a written notice or request identi-
7 fying the partnership, the taxable year, and the
8 contribution (or the conservation easement
9 transaction of which such contribution is a
10 part), indicating review, examination, or pro-
11 posed adjustment of the Federal income tax
12 treatment thereof, or an administrative appeal
13 or judicial proceeding is pending with respect
14 thereto.

15 (4) ELECTION PERIOD.—The term “election pe-
16 riod” means the 180-day period beginning on the
17 date of enactment of this Act.

18 (5) COMMON MARKETING GROUP.—

19 (A) IN GENERAL.—The term “common
20 marketing group” means all partnerships with
21 eligible contributions with respect to which the
22 same principal organizer or manager (as de-
23 fined in subparagraph (B)), even if acting in
24 conjunction with 1 or more other persons, was
25 principally responsible for organizing or man-

1 aging the plan or arrangement pursuant to
2 which such eligible contributions were solicited,
3 structured, or facilitated, and includes all part-
4 nerships with eligible contributions with respect
5 to which any person related (within the mean-
6 ing of section 267(b) or section 707(b)(1) of the
7 Internal Revenue Code of 1986) to such prin-
8 cipal organizer or manager was so principally
9 responsible.

10 (B) PRINCIPAL ORGANIZER OR MAN-
11 AGER.—For purposes of subparagraph (A), a
12 person shall be treated as a principal organizer
13 or manager with respect to an eligible contribu-
14 tion if such person (or any person related to
15 such person within the meaning of section
16 267(b) or section 707(b)(1) of the Internal Rev-
17 enue Code of 1986) satisfies any of the fol-
18 lowing conditions:

19 (i) Such person is identified as an or-
20 ganizer, manager, sponsor, promoter, ar-
21 ranger, or similar role in any written offer-
22 ing material, subscription agreement, mar-
23 keting presentation, partnership agree-
24 ment, management agreement, side letter,
25 or other written communication provided

1 to any partner or prospective partner in
2 connection with the partnership making
3 the eligible contribution.

4 (ii) Such person received, directly or
5 indirectly, or was entitled to receive, any
6 fee, commission, compensation, profit in-
7 terest, or other economic benefit (other
8 than reimbursement of reasonable out-of-
9 pocket expenses) in connection with orga-
10 nizing, managing, marketing, structuring,
11 facilitating, or arranging financing for the
12 eligible contribution, or for the acquisition,
13 holding, or donation of the property with
14 respect to which the eligible contribution
15 was made.

16 (iii) Such person served, directly or
17 indirectly, as a general partner, managing
18 member, manager, trustee, investment
19 manager, or similar controlling person with
20 authority (under governing documents or
21 contract) over the partnership's acquisi-
22 tion, holding, management, disposition, or
23 donation of the property, or over the deci-
24 sion to make the eligible contribution.

1 (C) OVERLAPPING GROUPS.—If a partner-
2 ship would be treated as a member of more
3 than 1 common marketing group under this
4 paragraph, all such groups shall be treated as
5 a single common marketing group for purposes
6 of this section.

7 (6) DESIGNATED PARTNERSHIP.—The term
8 “designated partnership” means the partnership
9 designated under subsection (d)(3).

10 (7) ELECTING PARTNERSHIP.—The term
11 “electing partnership” means the designated part-
12 nership (in the case of a common marketing group)
13 or the partnership that made the eligible contribu-
14 tion (in all other cases).

15 (8) NON-CONTRIBUTING PARTNER.—The term
16 “non-contributing partner” means any ultimate tax-
17 payer partner identified under subsection
18 (f)(1)(A)(ii).

19 (9) ELECTION STATEMENT.—The term “elec-
20 tion statement” means the written statement filed
21 under subsection (b)(2) that includes the informa-
22 tion required under subsection (b)(3).

23 (10) APPLICABLE PARTNERSHIP REPRESENTA-
24 TIVE.—The term “applicable partnership representa-
25 tive” means the partnership representative des-

1 ignated under section 6223(a) of the Internal Rev-
2 enue Code of 1986 (for partnership taxable years be-
3 ginning after December 31, 2017) or the tax mat-
4 ters partner designated under section 6231(a)(7) of
5 such Code (as in effect for partnership taxable years
6 beginning before January 1, 2018).

7 (11) PASS-THROUGH ENTITY.—The term “pass-
8 through entity” means any partnership, S corpora-
9 tion, estate, or trust.

10 (12) ULTIMATE TAXPAYER PARTNER.—The
11 term “ultimate taxpayer partner” means, with re-
12 spect to any portion of a deduction attributable to
13 an eligible contribution, the person that, after taking
14 into account allocations of such portion through one
15 or more pass-through entities, actually takes such
16 portion into account in determining the tax imposed
17 by chapter 1 and receives the Federal income tax
18 benefit of such portion, whether as a partner, share-
19 holder, beneficiary, owner, or otherwise. Except as
20 provided in the preceding sentence, a pass-through
21 entity shall not be treated as an ultimate taxpayer
22 partner. A pass-through entity shall be treated as an
23 ultimate taxpayer partner to the extent such entity
24 is itself subject to tax under chapter 1 and claims
25 the benefit of such portion.

1 (13) SECRETARY.—The term “Secretary”
2 means the Secretary of the Treasury or the Sec-
3 retary’s delegate.

4 (b) ELECTION; MAKING ELECTION; EFFECT.—

5 (1) IN GENERAL.—Notwithstanding any other
6 provision of this title, in the case of any eligible con-
7 tribution with an open matter, the electing partner-
8 ship may elect to have this section apply. An election
9 under this section may include only eligible contribu-
10 tions that have an open matter as of the date the
11 election statement is filed.

12 (2) MAKING THE ELECTION.—An election
13 under this section shall be made by filing, not later
14 than the last day of the election period, an election
15 statement with the Secretary at the place prescribed
16 under section 6091 of the Internal Revenue Code of
17 1986 for filing the partnership return of the electing
18 partnership, accompanied by the remittance required
19 under subsection (e)(2). Such remittance shall be in
20 the form of a cashier’s check, certified check, money
21 order, or other check payable to the “United States
22 Treasury”, and shall identify the electing partner-
23 ship and state that it relates to an election under
24 this section.

1 (3) REQUIRED CONTENTS OF ELECTION STATE-
2 MENT.—The election statement shall set forth, with
3 respect to the eligible contribution—

4 (A) the name, address, and employer iden-
5 tification number of the electing partnership
6 and, in the case of a common marketing group,
7 the name and employer identification number of
8 each partnership whose eligible contributions
9 are included in the election;

10 (B) the taxable year or years of the con-
11 tributions encompassed by the election;

12 (C) identification of each donee and the
13 property, including the date of each eligible con-
14 tribution;

15 (D) the claimed deduction;

16 (E) the settlement limitation amount de-
17 termined under subsection (e);

18 (F) the tax component determined under
19 subsection (e)(1)(B);

20 (G) the penalty component determined
21 under subsection (e)(1)(C);

22 (H) the settlement amount determined
23 under subsection (e)(1)(A); and

1 (I) in the case of an electing partnership
2 with a non-contributing partner, the schedule
3 described in subsection (f)(1).

4 (4) EFFECT; WAIVER.—If an election under this
5 section becomes effective under paragraph (6)—

6 (A) the deduction otherwise allowable
7 under section 170 of the Internal Revenue Code
8 of 1986 for the eligible contribution shall not
9 exceed the settlement limitation amount;

10 (B) the settlement amount shall be due
11 and payable as provided in subsection (e);

12 (C) except as provided in subsection (f),
13 payment of the settlement amount shall resolve
14 all Federal income tax liability (including pen-
15 alties and interest) attributable to the excess of
16 the claimed deduction over the settlement limi-
17 tation amount; and

18 (D) the electing partnership, each partner
19 thereof, each pass-through entity through which
20 any portion of the claimed deduction is allo-
21 cable, and each ultimate taxpayer partner to
22 which any portion of the claimed deduction is
23 allocable waive any right to contest the amounts
24 described in subparagraphs (E), (F), (G), or

1 (H) of paragraph (3), administratively or judi-
2 cially.

3 (5) COURTESY NOTICE.—Within 10 days of fil-
4 ing an election statement, the electing partnership
5 shall provide a copy thereof to any revenue agent,
6 appeals officer, or chief counsel attorney assigned to
7 the partnership that made the eligible contribution,
8 and to the Clerk of the Tax Court, any United
9 States District Court, or any Court of Appeals in
10 which proceedings involving the eligible contribution
11 are pending. Copies provided to courts shall exclude
12 any schedule described in subsection (f)(1) and shall
13 redact taxpayer identification numbers and street
14 addresses. Failure to provide such notice shall not
15 affect the validity of the election.

16 (6) DATE ELECTION BECOMES EFFECTIVE.—An
17 election that satisfies the requirements of this sub-
18 section and is accompanied by the required remit-
19 tance under subsection (e)(2) shall be effective upon
20 filing. No acceptance, acknowledgment, determina-
21 tion, form, regulation, or other administrative action
22 by the Secretary shall be required for the election to
23 be effective. No requirement or procedural step other
24 than those expressly set forth in this section may be

1 imposed as a condition to making or giving effect to
2 an election.

3 (7) **TIMELY MAILING.**—For purposes of this
4 section, section 7502 of the Internal Revenue Code
5 of 1986 (determined without regard to subsection (f)
6 thereof) shall apply to the election statement, any
7 required schedule or authorization, and any accom-
8 panying remittance.

9 (8) **SUSPENSION OF LIMITATIONS.**—The run-
10 ning of any period of limitation on assessment with
11 respect to any tax attributable to an eligible con-
12 tribution for which an election becomes effective
13 under paragraph (6) shall be suspended from the
14 date of filing of the election statement until the ear-
15 lier of 2 years after the date such election becomes
16 effective or the date the election becomes void under
17 subsection (h)(4), and for 90 days thereafter.

18 (9) **SIGNATURE; FINALITY.**—The election state-
19 ment shall be signed by the applicable partnership
20 representative. An effective election shall be irrev-
21 ocable and binding on the electing partnership, each
22 partner thereof, each partnership in a common mar-
23 keting group whose authorization is included under
24 subsection (d)(3), each pass-through entity through
25 which any portion of the claimed deduction is allo-

1 cable, and each ultimate taxpayer partner to which
2 any portion of the claimed deduction is allocable.
3 Except as expressly provided in subsection (f)(6)
4 and (h)(4), such election shall not be subject to judi-
5 cial review. Such election shall be treated as a clos-
6 ing agreement under section 7121 with respect to
7 the matters resolved under paragraph (4)(C), and
8 shall be deemed approved by the Secretary under
9 section 7121(b) as of the date the election becomes
10 effective.

11 (c) SETTLEMENT LIMITATION AMOUNT.—For pur-
12 poses of this section—

13 (1) GENERAL RULE.—Except as provided in
14 paragraph (2), the term “settlement limitation
15 amount” means an amount equal to 2.5 times the
16 sum of the relevant basis (as defined in section
17 170(h)(7)(B) of the Internal Revenue Code of 1986)
18 of all partners with respect to the eligible contribu-
19 tion.

20 (2) EXCEPTED CONTRIBUTIONS.—In the case
21 of an eligible contribution meeting the requirements
22 of subparagraph (C), (D), or (E) of paragraph (7)
23 of the Internal Revenue Code of 1986, the term
24 “settlement limitation amount” means an amount
25 equal to 3.2 times the aggregate amount of capital

1 contributed, directly or indirectly, by the ultimate
2 taxpayer partners, excluding any amount derived
3 from a loan, insurance arrangement, or other financ-
4 ing provided by the principal organizer or manager,
5 or by any person related (within the meaning of sec-
6 tion 267(b) or section 707(b)(1) of such Code) to
7 such principal organizer or manager.

8 (d) AGGREGATION FOR COMMON MARKETING
9 GROUPS.—

10 (1) SINGLE CONTRIBUTION TREATMENT.—All
11 eligible contributions of partnerships in a common
12 marketing group that are described in the election
13 statement and that each has an open matter as of
14 the date the election statement is filed shall be treat-
15 ed as a single eligible contribution for purposes of
16 this section.

17 (2) COMPUTATION ON COMBINED BASIS.—In
18 the case of a common marketing group, the claimed
19 deduction, settlement limitation amount, and settle-
20 ment amount shall be computed by aggregating
21 across all partnerships and all taxable years in the
22 group with respect to the eligible contributions de-
23 scribed in the election statement.

24 (3) DESIGNATION AND AUTHORIZATIONS.—A
25 common marketing group shall act through a des-

1 designated partnership. The designated partnership
2 shall be identified by name and employer identifica-
3 tion number in a written authorization executed by
4 the applicable partnership representative of each
5 partnership in the group. Each authorization shall
6 grant filing and remittance authority and acknowl-
7 edge that the executing partnership is jointly and
8 severally liable for the settlement amount until paid
9 in full.

10 (4) VALIDITY CONDITION.—Except as provided
11 in paragraph (5), an election by a designated part-
12 nership shall not be effective unless the election
13 statement includes authorizations from each partner-
14 ship in the common marketing group.

15 (5) EFFECT OF FINAL DECISIONS.—If 1 or
16 more partnerships in a common marketing group are
17 precluded from electing under subsection (g)(3), the
18 remaining partnerships may make a group election
19 if all partnerships to which subsection (g)(3) does
20 not apply provide authorizations under this para-
21 graph. In any case in which this paragraph applies,
22 paragraph (2) shall be applied by excluding any
23 partnership precluded under subsection (g)(3).

24 (6) JOINT AND SEVERAL LIABILITY.—Each
25 partnership in a common marketing group shall be

1 jointly and severally liable for the settlement amount
2 until paid in full.

3 (e) PAYMENT OF SETTLEMENT AMOUNT.—

4 (1) SETTLEMENT AMOUNT.—For purposes of
5 this section—

6 (A) IN GENERAL.—The term “settlement
7 amount” means the sum of—

- 8 (i) the tax component; and
9 (ii) the penalty component.

10 (B) TAX COMPONENT.—The tax compo-
11 nent is equal to the product of—

12 (i) the excess of the claimed deduction
13 (the claimed deduction is the combined
14 total amount deducted by all the ultimate
15 taxpayer partners) over the settlement lim-
16 itation amount; and

17 (ii) the highest rate of tax in effect
18 under section 1 of the Internal Revenue
19 Code of 1986 for any taxable year encom-
20 passed by the election.

21 (C) PENALTY COMPONENT.—The penalty
22 component is equal to the amount that would
23 be determined under section 6662 of the Inter-
24 nal Revenue Code of 1986 by applying the ap-
25 plicable penalty rate under paragraph (3) to an

1 underpayment equal to the tax component and
2 by treating the settlement limitation amount as
3 the correct amount of the deduction.

4 (2) PAYMENT.—An election partnership shall
5 pay the settlement amount not later than the last
6 day of the election period. Except as provided in
7 subsection (f), an election shall not be effective un-
8 less the electing partnership remits the full settle-
9 ment amount with the election statement.

10 (3) APPLICABLE PENALTY RATE.—The applica-
11 ble penalty rate shall be—

12 (A) the rate applicable under section
13 6662(h) of the Internal Revenue Code of 1986
14 in any case in which the claimed deduction ex-
15 ceeded 200 percent of the settlement limitation
16 amount; and

17 (B) the rate applicable under section
18 6662(a) of such Code in any other case the ap-
19 plication of the rate under the preceding sen-
20 tence shall be determined without regard to sec-
21 tion 6664(c) of the Internal Revenue Code of
22 1986.

23 (4) INTEREST WAIVER.—In the case of any por-
24 tion of the settlement amount remitted by the elect-
25 ing partnership not later than the last day of the

1 election period, any interest under section 6601 of
2 the Internal Revenue Code of 1986 with respect to
3 such portion for periods ending before the date of
4 remittance is waived. Interest shall accrue in full on
5 any amount not so remitted.

6 (5) ASSESSMENT AND COLLECTION.—Any set-
7 tlement amount (and any amount assessed under
8 subsection (f)) shall be assessed and collected in the
9 same manner as tax imposed by chapter 1 of the In-
10 ternal Revenue Code of 1986. The Secretary shall
11 accept and apply any remittance as a payment of
12 the settlement amount without any receipt, notice,
13 or administrative action affecting the effectiveness of
14 the election.

15 (f) NON-CONTRIBUTING PARTNERS.—

16 (1) IDENTIFICATION OF NON-CONTRIBUTING
17 PARTNERS.—

18 (A) IN GENERAL.—If the electing partner-
19 ship does not remit the full settlement amount
20 solely because one or more ultimate taxpayer
21 partners fail to provide their respective allocable
22 amounts, the election statement shall include a
23 schedule identifying—

1 (i) each ultimate taxpayer partner
2 who has contributed such partner's allo-
3 cable amount;

4 (ii) each ultimate taxpayer partner
5 who has not contributed such partner's al-
6 locable amount; and

7 (iii) the following information for each
8 partner described in clauses (i) and (ii):

9 (I) The name, current address,
10 taxpayer identification number of such
11 partner.

12 (II) The amount described in
13 subparagraph (B)(i) with respect to
14 such partner.

15 (III) The allocable amount for
16 such partner.

17 (B) ALLOCABLE AMOUNT.—For purposes
18 of this subsection, a partner's allocable amount
19 is equal to the product of the settlement
20 amount and a fraction—

21 (i) the numerator of which is such
22 partner's share of the deduction (as re-
23 ported on the Schedule K-1 or similar
24 statement, including amendments filed be-

1 fore the date the election statement is
2 filed); and

3 (ii) the denominator of which is the
4 total claimed deduction.

5 (2) REDUCED REMITTANCE.—In the case of an
6 election statement including a schedule under para-
7 graph (1), the amount of the remittance required
8 under subsection (e)(2) shall be reduced by the ag-
9 gregate allocable amounts of non-contributing part-
10 ners.

11 (3) ASSESSMENT AGAINST NON-CONTRIBUTING
12 PARTNERS.—The Secretary shall assess against each
13 non-contributing partner an amount equal to the
14 sum of—

15 (A) such partner's allocable amount, and
16 (B) an amount equal to 25 percent of the
17 product of the tax component determined under
18 subsection (e)(1)(B) and the fraction described
19 in paragraph (1)(B).

20 Such amount shall be payable upon notice and de-
21 mand.

22 (4) INTEREST.—Interest under section 6601 of
23 the Internal Revenue Code of 1986 shall accrue on
24 any amount assessed under this subsection begin-

1 ning on the day after the last day of the election pe-
2 riod.

3 (5) PERIOD OF LIMITATIONS.—For purposes of
4 section 6501 of the Internal Revenue Code of 1986,
5 the period for assessment of any amount under this
6 subsection shall not expire before 3 years after the
7 last day of the election period.

8 (6) ASSESSMENT PROCEDURES; JUDICIAL RE-
9 VIEW.—Amounts assessed under paragraph (3) shall
10 be immediately assessable, and the restrictions under
11 section 6213(a) of the Internal Revenue Code of
12 1986 on assessment and collection shall not apply.
13 A non-contributing partner may contest the com-
14 putation of such partner's allocable amount only by
15 paying the amount assessed and filing a claim for
16 refund under section 6511 of such Code. Nothing in
17 this subsection shall limit a non-contributing part-
18 ner's right to bring suit under section 7422 of such
19 Code following disallowance of such claim.

20 (g) COORDINATION WITH PRIOR PROCEEDINGS.—

21 (1) PRIOR SETTLEMENTS.—If a partnership
22 has entered into a closing agreement under section
23 7121 of the Internal Revenue Code of 1986 or a
24 compromise under section 7122 of such Code with
25 respect to an eligible contribution, the partnership

1 shall exclude from the election any matters resolved
2 thereby.

3 (2) PENDING STIPULATED DECISIONS.—A part-
4 nership with respect to which a stipulated decision
5 has been lodged with the Tax Court but not yet en-
6 tered may withdraw such stipulation and make an
7 election, provided that such withdrawal occurs before
8 the last day of the election period.

9 (3) FINAL DECISIONS.—No election may be
10 made with respect to an eligible contribution if a de-
11 cision of the Tax Court has become final within the
12 meaning of section 7481 of the Internal Revenue
13 Code of 1986, or if a judgment of any other court
14 has become final and is no longer subject to review
15 (including by petition for writ of certiorari).

16 (4) SECTION 6226 ELECTIONS.—If a partnership
17 has made an election under section 6226 of the In-
18 ternal Revenue Code of 1986 with respect to an im-
19 puted underpayment attributable to an eligible con-
20 tribution, an election under this section may be
21 made only if such election under section 6226 of
22 such Code is revoked. Notwithstanding section 6226
23 of such Code and any regulations thereunder, such
24 revocation shall be made by a written statement
25 signed by the applicable partnership representative

1 and included with the election statement, and shall
2 be effective solely with respect to the eligible con-
3 tribution and items attributable thereto.

4 (h) EXAMINATION FOR COMPUTATIONAL ACCU-
5 RACY.—

6 (1) AUTHORITY.—Notwithstanding subsection
7 (b)(4), the Secretary may examine any election sole-
8 ly to verify the correctness of computational ele-
9 ments, including the claimed deduction, relevant
10 basis or capital contributions, settlement limitation
11 amount, tax component, and penalty component.
12 Such examination shall not extend to any determina-
13 tion of fair market value or any other substantive
14 issue resolved by the election.

15 (2) ADJUSTMENT FOR DISCREPANCY.—If the
16 Secretary determines that the settlement amount
17 was incorrectly computed, the Secretary shall notify
18 the electing partnership of such discrepancy and the
19 corrected amount by mailing notice to the last
20 known address of such partnership. Except as pro-
21 vided in subsection (h)(3) and (h)(4), any additional
22 amount due shall be payable within 90 days of such
23 notification.

24 (3) ADMINISTRATIVE REVIEW.—If, within the
25 90-day period described in subsection (h)(2) the

1 electing partnership files a written protest or request
2 for administrative review of all or any portion of the
3 additional amount, the Secretary shall provide ad-
4 ministrative review, including review by the Inde-
5 pendent Office of Appeals if otherwise available. As-
6 sessment and collection of the disputed portion shall
7 be suspended while such administrative review is
8 pending. Upon conclusion of such review, the Sec-
9 retary shall mail to the electing partnership a notice
10 of final administrative determination setting forth
11 the amount, if any, finally determined by the Sec-
12 retary.

13 (4) JUDICIAL REVIEW.—The electing partner-
14 ship may contest the computation of any additional
15 amount determined under this subparagraph by fil-
16 ing a petition with the Tax Court without prior pay-
17 ment or, after payment, by filing a claim for refund
18 under section 6511. Any petition to the Tax Court
19 shall be filed within 90 days after the Secretary
20 mails the notice described in clause (ii), or, if admin-
21 istrative review is timely requested under clause (iii),
22 within 90 days after the Secretary mails the notice
23 of final administrative determination. The Tax
24 Court shall have jurisdiction over any timely petition
25 filed under this clause, notwithstanding that the

1 electing partnership is not otherwise liable for tax
2 under this title, and may redetermine the correct
3 amount of the disputed additional amount, but only
4 with respect to the computational elements described
5 in clause (i). No assessment, levy, or proceeding in
6 court for collection of the disputed portion shall be
7 made, begun, or prosecuted until the expiration of
8 the applicable 90-day period, or, if a petition is time-
9 ly filed, until the decision of the Tax Court has be-
10 come final under section 7481. Nothing in this para-
11 graph shall be construed to limit the electing part-
12 nership's right to bring suit under section 7422 fol-
13 lowing disallowance of such claim.

14 (5) EFFECT ON ELECTION.—No election shall
15 be void or otherwise impaired solely because the
16 electing partnership exercises its rights under (h)(3)
17 or (h)(4). The election shall remain in effect pending
18 any administrative review, Tax Court proceeding, or
19 refund claim or suit. If any additional amount fi-
20 nally determined under this subparagraph is paid
21 within 90 days after the close of the applicable 90-
22 day period described (h)(4) if no petition is filed, or
23 within 90 days after the decision of the Tax Court
24 becomes final, the election shall remain in effect at
25 the corrected settlement amount, and no further li-

1 ability (other than interest under section 6601 on
2 the additional amount from the last day of the elec-
3 tion period) shall arise from such adjustment.

4 (6) ELECTION VOID.—The election shall be void
5 from the beginning only if—

6 (A) the additional amount is not paid with-
7 in the 90-day period; and

8 (B) the electing partnership does not con-
9 test the Secretary's determination administra-
10 tively or judicially under (h)(4) or (h)(5).

11 (7) EFFECT OF VOIDED ELECTION.—If an elec-
12 tion becomes void under paragraph (6), any amounts
13 previously remitted shall be treated as a payment of
14 tax and applied against any liability subsequently
15 determined with respect to the eligible contribution.

16 (8) TIME LIMIT.—The Secretary may not pro-
17 vide notification under paragraph (2) after the date
18 that is 2 years after the date the election becomes
19 effective under subsection (b)(6).

20 (i) NO INFERENCE; PRESERVATION OF OTHER REM-
21 EDIES.—Nothing in this section shall be construed to cre-
22 ate any inference regarding the proper tax treatment or
23 fair market value of any eligible contribution for which
24 an election is not made under this section. Nothing in this
25 section shall limit or affect any penalty under section

1 6694, 6695, 6700, 6701, or any other provision of the In-
2 ternal Revenue Code of 1986 applicable to any person
3 other than the electing partnership or its partners.

4 **SEC. 3. CONTRIBUTING-BUILDING STANDARD FOR CER-**
5 **TAIN QUALIFIED CONSERVATION CONTRIBU-**
6 **TIONS AND CERTIFIED HISTORIC STRUC-**
7 **TURES.**

8 (a) AMENDMENT TO SECTION 170(H)(4)(C).—Sec-
9 tion 170(h)(4)(C) is amended—

10 (1) in clause (ii), by striking “and is certified
11 by the Secretary of the Interior to the Secretary as
12 being of historic significance to the district” and in-
13 serting “and is a contributing building”;

14 (2) by inserting after clause (ii) the following
15 flush language: “For purposes of clause (ii), the
16 term ‘contributing building’ means any building
17 that—”

18 “(I) is identified as contributing in the Na-
19 tional Register nomination for the district, any
20 amendment thereto, or the official map, inven-
21 tory, or other district documentation on file
22 with, or approved or accepted by, the Secretary
23 of the Interior, or”.

24 (b) CONFORMING AMENDMENT TO SECTION
25 47(c)(3)(A).—Section 47(c)(3)(A) is amended—

1 (1) SECTION 170 AMENDMENT.—The amend-
2 ments made by subsection (a) shall apply to con-
3 tributions made in taxable years ending before, on,
4 or after the date of enactment, but only with respect
5 to—

6 (A) any taxable year for which the period
7 for assessment under section 6501 has not ex-
8 pired as of such date;

9 (B) any taxable year for which a claim for
10 credit or refund may be filed under section
11 6511 as of such date;

12 (C) any taxable year to which a deduction
13 attributable to such contribution is carried
14 under section 170(d) and for which the period
15 described in subparagraph (A) or (B) remains
16 open; or

17 (D) any administrative or judicial pro-
18 ceeding with respect to such contribution that is
19 pending and not final as of such date.

20 (2) SECTION 47 CONFORMING AMENDMENTS.—
21 The amendments made by subsections (b) and (c)
22 shall apply to taxable years beginning after the date
23 of enactment.

1 (3) NO INFERENCE.—No inference shall be
2 drawn with respect to any taxable year or proceeding
3 closed by operation of law.