

1 taxable year beginning after December 31, 2017, and be-
2 fore January 1, 2026.”.

3 (b) EFFECTIVE DATE.—The amendment made by
4 this section shall apply to taxable years beginning after
5 December 31, 2017.

6 **SEC. 11046. SUSPENSION OF OVERALL LIMITATION ON**
7 **ITEMIZED DEDUCTIONS.**

8 (a) IN GENERAL.—Section 68 is amended by adding
9 at the end the following new subsection:

10 “(f) SECTION NOT TO APPLY.—This section shall not
11 apply to any taxable year beginning after December 31,
12 2017, and before January 1, 202⁶.”.

13 (b) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to taxable years beginning after
15 December 31, 2017.

16 **SEC. 11047. MODIFICATION OF EXCLUSION OF GAIN FROM**
17 **SALE OF PRINCIPAL RESIDENCE.**

18 (a) IN GENERAL.—Section 121 is amended by adding
19 at the end the following new subsection:

20 “(h) SPECIAL RULES FOR SALES OR EXCHANGES IN
21 TAXABLE YEARS 2018 THROUGH 2025.—

22 “(1) IN GENERAL.—In applying this section
23 with respect to sales or exchanges after December
24 31, 2017, and before January 1, 2026—

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2017.

4 SEC. 13543. MODIFICATION OF TREATMENT OF S CORPORA-
5 TION CONVERSIONS TO C CORPORATIONS.

6 (a) IN GENERAL.—Section 1371 is amended by add-
7 ing at the end the following new subsection:

8 “(f) CASH DISTRIBUTIONS FOLLOWING POST-TERMI-
9 NATION TRANSITION PERIOD.—

10 “(1) IN GENERAL.—In the case of a distribu-
11 tion of money by an eligible terminated S corpora-
12 tion after the post-termination transition period, the
13 accumulated adjustments account shall be allocated
14 to such distribution, and the distribution shall be
15 chargeable to accumulated earnings and profits, in
16 the same ratio as the amount of such accumulated
17 adjustments account bears to the amount of such ac-
18 cumulated earnings and profits.

19 “(2) ELIGIBLE TERMINATED S CORPORA-
20 TION.—For purposes of this subsection, the term ‘el-
21 igible terminated S corporation’ means any C cor-
22 poration—

23 “(A) which—

ADD
(a) adjustments attributable to conversion from S corporation to Corporation — Section 481 is amended by adding at the end the following new subsection:

(d) Adjustments attributable to conversion from S corporation to C corporation.

(1) In general, in the case of an eligible terminated S corporation, any increase in tax under this chapter, by reason of a adjustment required by subsection (a)(2) and which is attributable to such corporation's reorganization described in paragraph (A)(ii), shall be taken into account ratably during the 6-taxable year period beginning with the

1 Credit Protection Act (15 U.S.C.
2 1650(7))).”.

3 (b) EFFECTIVE DATE.—The amendment made by
4 this section shall apply to discharges of indebtedness after
5 December 31, 2017.

6 **SEC. 11032. INCREASE IN DEDUCTION FOR TEACHER EX-**
7 **PENSES.**

8 (a) IN GENERAL.—Subparagraph (D) of section
9 62(a)(2) is amended by striking “\$250” and inserting
10 “\$250 (\$500 in the case of taxable years beginning after
11 December 31, 2017, and before January 1, 2026)”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this section shall apply to taxable years beginning after
14 December 31, 2017.

15 ~~**SEC. 11033. DEDUCTION FOR TUITION PAYMENTS FOR**~~
16 ~~**QUALIFIED RELIGIOUS INSTRUCTION.**~~

17 (a) IN GENERAL.—Section 170 is amended by redes-
18 ignating subsection (p) as subsection (q), and by inserting
19 after subsection (o) the following new subsection:

20 “(p) TREATMENT OF CERTAIN TUITION PAYMENTS
21 PAID FOR QUALIFIED RELIGIOUS INSTRUCTION.—

22 “(1) IN GENERAL.—For purposes of this sec-
23 tion, 25 percent of any amount described in para-
24 graph (2) shall be treated as a charitable contribu-
25 tion.

1 “(2) AMOUNT DESCRIBED.—For purposes of
2 paragraph (1), an amount is described in this para-
3 graph if—

4 “(A) such amount would be treated as pay-
5 ment of qualified tuition and related expenses
6 for purposes of section 25A(f)(1) but for the
7 fact that such payment is made to a primary or
8 secondary educational organization described in
9 subparagraph (b)(1)(A)(ii) rather than an eligi-
10 ble educational institution (as defined in section
11 25A(f)(2)),

12 “(B) such payment is made after Decem-
13 ber 31, 2018, and before January 1, 2021,

14 “(C) such organization certifies that 30
15 percent of the instruction it provides each aca-
16 demic year consists of qualified religious in-
17 struction, and

18 “(D) such organization has provided the
19 taxpayer a statement which contains the infor-
20 mation required by section 6050Z.

21 “(3) QUALIFIED RELIGIOUS INSTRUCTION.—
22 For purposes of this subsection, the term ‘qualified
23 religious instruction’ means academic instruction or
24 training regarding a particular religion (including te-
25 nets, doctrines, beliefs, rituals, customs, and rites) of

1 a type not generally offered in public school cur-
2 ricula, which is provided by a teacher or other in-
3 structor who is certified as having had significant
4 post-secondary religious studies.

5 “(4) NO DOUBLE BENEFIT.—No deduction
6 shall be allowed under this subsection for the
7 amount of any expense for which a deduction, credit,
8 or exclusion is allowed to the taxpayer under any
9 other provision of this chapter.”

10 (b) INFORMATION RETURNS.—

11 (1) IN GENERAL.—Subpart B of part III of
12 subchapter A of chapter 61, as amended by sections
13 13306 and 13518, is amended by adding at the end
14 the following new section:

15 **“SEC. 6050Z. RETURNS RELATING TO TUITION FOR QUALI-**
16 **FIED RELIGIOUS EDUCATION.**

17 “(a) IN GENERAL.—Any educational institution de-
18 scribed in section 170(p)(2)(A) which meets the require-
19 ments of section 170(p)(2)(C) shall make a return with
20 respect to any individual from whom it receives tuition
21 payments and related expenses, in such manner and at
22 such time as the Secretary may by regulations prescribe,
23 which contains:

1 “(1) the name, address, and TIN of the indi-
2 vidual with respect to whom tuition payments and
3 related expenses are received,

4 “(2) the net amount of payments for tuition
5 and related expenses described in section
6 170(p)(2)(A) received with respect to the individual
7 during the calendar year,

8 “(3) a certification that the institution meets
9 the requirements of section 170(p)(2)(C), and

10 “(4) such other information as the Secretary
11 may prescribe.

12 “(b) STATEMENTS TO BE FURNISHED TO INDIVID-
13 UALS WITH RESPECT TO WHOM INFORMATION IS RE-
14 QUIRED.—Every person required to make a return under
15 subsection (a) shall furnish to each individual whose name
16 is required to be set forth in such return under subpara-
17 graph (a)(1) a written statement showing—

18 “(1) the name, address, and phone number of
19 the information contact of the person required to
20 make such return, and

21 “(2) the information described in subsection
22 (a).

23 The written statement required under the preceding sen-
24 tence shall be furnished on or before January 31 of the

1 year following the calendar year for which the return
2 under subsection (a) was required to be made.”.

3 (2) CONFORMING AMENDMENT.—The table of
4 sections for subpart B of part III of subchapter A
5 of chapter 61, as amended by sections 13306 and
6 13518, is amended by adding at the end the fol-
7 lowing new item:

“Sec. 6050Z. Returns relating to tuition for qualified religious education.”.

8 (c) EXEMPTION FROM SUBSTANTIATION REQUIRE-
9 MENT.—Section 170(f)(8)(A) is amended by adding at the
10 end the following: “The preceding sentence shall not apply
11 to any amount treated as a charitable contribution by rea-
12 son of subsection (p).”

13 (d) EFFECTIVE DATE.—

14 (1) IN GENERAL.—The amendments made by
15 this section shall apply to taxable years beginning
16 after December 31, 2018.

17 (2) NO INFERENCE.—Nothing in the amend-
18 ments made by this section shall create any infer-
19 ence regarding the tax treatment of any other pay-
20 ment for religious education or training made before,
21 on, or after such date.