



JOINT COMMITTEE ON TAXATION  
March 24, 2026  
JCX-11-26

**DESCRIPTION OF THE CHAIRMAN’S AMENDMENT  
IN THE NATURE OF A SUBSTITUTE TO H.R. 5366,  
THE “THE FEDERAL DISASTER TAX RELIEF ACT OF 2025”**

The Chairman’s amendment in the nature of a substitute (“AINS”) strikes the language of H.R. 5366 (the “bill”) and replaces it with similar language with the following changes.

The AINS changes the short title of the bill to the “Doug LaMalfa Federal Disaster Tax Relief Certainty Act.”

The AINS makes a number of technical changes to streamline the drafting of the proposal for special rules for qualified net disaster losses. The AINS changes the definition of “qualified disaster area,” so that the incident period of the disaster to which a declaration is made begins “on or after December 28, 2019,” rather than “after July 4, 2025.” It adds a coordination rule with superseded provisions of the Taxpayer Certainty and Disaster Tax Relief Act of 2020<sup>1</sup> and Public Law 119-21.<sup>2</sup> The AINS corrects the dollar limitation per casualty to “(\$500 in the case of any qualified disaster-related personal casualty losses (as defined in paragraph (6)(C)).” The AINS strikes the words “losses incurred in” from the effective date of section 2 of the bill.

For purposes of the exclusion from gross income of qualified wildfire relief payments, the AINS modifies the term “qualified wildfire disaster” to mean “any Federally declared disaster (as defined in section 165(i)(5)(A)) declared after December 31, 2014, and before January 1, 2027, as a result of any forest or range fire.” The AINS changes the rule regarding the denial of double benefit by changing the word “person” on page 7, line 9 of the bill to “individual.” The AINS strikes the date limitation on when an individual must receive a qualified wildfire payment, allowing any qualified wildfire relief payment received by an individual to be excluded from gross income regardless of when the individual received the payment.

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<sup>1</sup> Div. EE. of Pub. L. No. 116-260, sec. 304(b), December 27, 2020.

<sup>2</sup> Pub. L. No. 119-21, sec. 70438, July 4, 2025.

The proposal is estimated to have the following effect on Federal fiscal year budget receipts:

<b>Fiscal Years</b>													
<b>[Millions of Dollars]</b>													
<b><u>Item</u></b>	<b><u>2026</u></b>	<b><u>2027</u></b>	<b><u>2028</u></b>	<b><u>2029</u></b>	<b><u>2030</u></b>	<b><u>2031</u></b>	<b><u>2032</u></b>	<b><u>2033</u></b>	<b><u>2034</u></b>	<b><u>2035</u></b>	<b><u>2036</u></b>	<b><u>2026-30</u></b>	<b><u>2026-36</u></b>
H.R. 5366													
Section 2.....	-40	-37	---	---	---	---	---	---	---	---	---	-77	-77
H.R. 5366													
Section 3.....	-21	-69	-96	-96	-48	---	---	---	---	---	---	-331	-331

**NOTE:** Details may not add to totals due to rounding. The date of enactment is assumed to be April 30, 2026.