

117TH CONGRESS  
2D SESSION

# H. R. 7913

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for qualified conservation contributions which include National Scenic Trails.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 31, 2022

Mr. CONNOLLY (for himself, Mr. TONKO, Mr. BLUMENAUER, Mr. CARTWRIGHT, Mr. MCGOVERN, and Mr. PETERS) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for qualified conservation contributions which include National Scenic Trails.

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 “Complete America’s  
5 Great Trails Act”.

1 **SEC. 2. NATIONAL SCENIC TRAIL CONSERVATION CREDIT.**

2 (a) IN GENERAL.—Subpart B of part IV of sub-  
 3 chapter A of chapter 1 of the Internal Revenue Code of  
 4 1986 is amended by adding at the end the following new  
 5 section:

6 **“SEC. 30E. NATIONAL SCENIC TRAIL CONSERVATION CRED-**  
 7 **IT.**

8 “(a) ALLOWANCE OF CREDIT.—There shall be al-  
 9 lowed as a credit against the tax imposed by this chapter  
 10 for the taxable year an amount equal to the fair market  
 11 value of any National Scenic Trail conservation contribu-  
 12 tion of the taxpayer for the taxable year.

13 “(b) NATIONAL SCENIC TRAIL CONSERVATION CON-  
 14 TRIBUTION.—For purposes of this section—

15 “(1) IN GENERAL.—The term ‘National Scenic  
 16 Trail conservation contribution’ means any qualified  
 17 conservation contribution—

18 “(A) to the extent the qualified real prop-  
 19 erty interest with respect to such contribution  
 20 includes a National Scenic Trail (or portion  
 21 thereof) and its trail corridor, and

22 “(B) with respect to which the taxpayer  
 23 makes an election under this section.

24 “(2) NATIONAL SCENIC TRAIL.—The term ‘Na-  
 25 tional Scenic Trail’ means any trail authorized and  
 26 designated under section 5 of the National Trails

1       System Act (16 U.S.C. 1244), but only if such trail  
2       is at least 200 miles in length.

3               “(3) TRAIL CORRIDOR.—The term ‘trail cor-  
4       ridor’ means so much of the corridor of a trail as  
5       is—

6                       “(A) not less than—

7                               “(i) 150 feet wide on each side of  
8                       such trail, or

9                               “(ii) in the case of an interest in real  
10                       property of the taxpayer which includes  
11                       less than 150 feet on either side of such  
12                       trail, the entire distance with respect to  
13                       such interest on such side, and

14                       “(B) not greater than 2,640 feet wide.

15               “(4) QUALIFIED CONSERVATION CONTRIBU-  
16       TION; QUALIFIED REAL PROPERTY INTEREST.—The  
17       terms ‘qualified conservation contribution’ and  
18       ‘qualified real property interest’ have the respective  
19       meanings given such terms by section 170(h), except  
20       that paragraph (2)(A) thereof shall be applied with-  
21       out regard to any qualified mineral interest (as de-  
22       fined in paragraph (6) thereof).

23               “(c) SPECIAL RULES.—

24                       “(1) FAIR MARKET VALUE.—Fair market value  
25       of any National Scenic Trail conservation contribu-

tion shall be determined under rules similar to the valuation rules under Treasury Regulations under section 170, except that in any case, to the extent practicable, fair market value shall be determined by reference to the highest and best use of the real property with respect to such contribution.

“(2) ELECTION IRREVOCABLE.—An election under this section may not be revoked.

“(3) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter with respect to any qualified conservation contribution with respect to which an election is made under this section.

“(d) APPLICATION WITH OTHER CREDITS.—

“(1) BUSINESS CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—So much of the credit which would be allowed under subsection (a) for any taxable year (determined without regard to this subsection) that is attributable to property used in a trade or business or held for the production of income shall be treated as a credit listed in section 38(b) for such taxable year (and not allowed under subsection (a)).

“(2) PERSONAL CREDIT.—For purposes of this title, the credit allowed under subsection (a) for any

1 taxable year (determined after application of para-  
2 graph (1)) shall be treated as a credit allowable  
3 under subpart A for such taxable year.

4 “(e) CARRYFORWARD OF UNUSED CREDIT.—

5 “(1) IN GENERAL.—If the credit allowable  
6 under subsection (a) exceeds the limitation imposed  
7 by section 26(a) for any taxable year reduced by the  
8 sum of the credit allowable under subpart A (other  
9 than this section), such excess shall be carried to the  
10 succeeding taxable year and added to the credit al-  
11 lowable under subsection (a) for such succeeding  
12 taxable year.

13 “(2) LIMITATION.—No credit may be carried  
14 forward under this subsection to any taxable year  
15 following the tenth taxable year after the taxable  
16 year in which the credit arose. For purposes of the  
17 preceding sentence, credits shall be treated as used  
18 on a first-in first-out basis.”.

19 (b) CONTINUED USE NOT INCONSISTENT WITH  
20 CONSERVATION PURPOSES.—A contribution of an interest  
21 in real property shall not fail to be treated as a National  
22 Scenic Trail conservation contribution (as defined in sec-  
23 tion 30E(b) of the Internal Revenue Code of 1986) solely  
24 by reason of continued use of the real property, such as  
25 for recreational or agricultural use (including motor vehi-

1 cle use related thereto), if, under the circumstances, such  
 2 use does not impair significant conservation interests and  
 3 is not inconsistent with the purposes of the National  
 4 Trails System Act (16 U.S.C. 1241 et seq.).

5 (c) STUDY REGARDING EFFICACY OF NATIONAL  
 6 SCENIC TRAIL CONSERVATION CREDIT.—

7 (1) IN GENERAL.—The Secretary of the Inte-  
 8 rior shall, in consultation with the Secretary of the  
 9 Treasury, study—

10 (A) the efficacy of the National Scenic  
 11 Trail conservation credit under section 30E of  
 12 the Internal Revenue Code of 1986 in com-  
 13 pleting, extending, and increasing the number  
 14 of National Scenic Trails (as defined in section  
 15 30E(b) of such Code), and

16 (B) the feasibility and estimated costs and  
 17 benefits of—

18 (i) making such credit refundable (in  
 19 whole or in part), and

20 (ii) allowing transfer of such credit.

21 (2) REPORT.—Not later than 4 years after the  
 22 date of the enactment of this Act, the Secretary of  
 23 the Interior shall submit a report to Congress on the  
 24 results of the study conducted under this subsection.

25 (d) CONFORMING AMENDMENTS.—

1           (1) Section 23(c)(1) of the Internal Revenue  
2       Code of 1986 is amended by inserting “, 30E,” after  
3       “25D”.

4           (2) Section 25(e)(1)(C) of such Code is amend-  
5       ed by striking “and 25D” and inserting “, 25D, and  
6       30E”.

7           (3) Section 25D(c) of such Code is amended by  
8       inserting “and section 25D” after “other than this  
9       section”.

10       (e) CLERICAL AMENDMENT.—The table of sections  
11   for subpart B of part IV of subchapter A of chapter 1  
12   of such Code is amended by adding at the end the fol-  
13   lowing new item:

“Sec. 30E. National Scenic Trail conservation credit.”.

14       (f) EFFECTIVE DATE.—The amendments made by  
15   this section shall apply to contributions made after the  
16   date of the enactment of this Act.

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