

119TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to exclude crop insurance indemnity payments from gross income.

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IN THE SENATE OF THE UNITED STATES

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Mr. OSSOFF introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Internal Revenue Code of 1986 to exclude crop insurance indemnity payments from gross income.

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 “Farm Disaster Tax  
5 Cut Act”.

6 **SEC. 2. CROP INSURANCE INDEMNITY PAYMENTS EX-**  
7 **CLUDED FROM GROSS INCOME.**

8 (a) IN GENERAL.—Part III of subchapter B of chap-  
9 ter 1 of the Internal Revenue Code of 1986 is amended  
10 by inserting after section 139L the following new section:

1 **“SEC. 139M. CROP INSURANCE INDEMNITY PAYMENTS.**

2       “(a) IN GENERAL.—Gross income shall not include  
3 any crop insurance indemnity payment made pursuant to  
4 the Federal Crop Insurance Act (7 U.S.C. 1501 et seq).

5       “(b) TERMINATION.—This section shall not apply to  
6 any payment for losses which occur after December 31,  
7 2028.”.

8       (b) CLERICAL AMENDMENT.—The table of sections  
9 for part III of subchapter B of chapter 1 of the Internal  
10 Revenue Code of 1986 is amended by inserting after the  
11 item relating to section 139L the following new item:

“Sec. 139M. Crop insurance indemnity payments.”.

12       (c) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to payments for losses which occur  
14 after August 5, 2024.