

HJM 201 STAFF MEASURE SUMMARY

Senate Committee On Natural Resources and Wildfire

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Meeting Dates: 2/24

WHAT THE MEASURE DOES:

The measure urges the U.S. Congress to pass legislation to permanently extends federal tax cuts for wildfire victims.

Fiscal impact: No fiscal impact.

Revenue impact: No revenue impact.

HOUSE VOTE: Ayes, 58; Nays, 0; Excused, 2.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

[Senate Bill 1520](#) (2024) established a personal income tax subtraction for amounts received since 2018 through a judgment or settlement from a civil action related to any wildfire that the Governor declared an emergency between 2018 and 2025. The Federal Disaster Tax Relief Act of 2023 excluded qualified wildfire relief payments from taxation until 2025. Beginning in 2026, some wildfire-related settlement payments will be subject to federal income tax.