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IN THE UNITED STATES TAX COURT

MICHAEL J. WEPPLO & TATYANA R. WEPPLO,	)
	)
Petitioners,	) No. 36722-21
	)
v.	) J. Holmes
	)
COMMISSIONER OF INTERNAL REVENUE,	)
	)
Respondent.	)

BRIEF OF THE CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA AS *AMICUS CURIAE* IN SUPPORT OF NEITHER PARTY

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CORPORATE DISCLOSURE STATEMENT

The Chamber of Commerce of the United States of America ("Chamber") states that it is a non-profit, tax-exempt organization incorporated in the District of Columbia. The Chamber has no parent corporation, and no publicly held company has 10% or greater ownership in the Chamber.

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INTEREST OF *AMICUS CURIAE*[1]

The Chamber of Commerce of the United States of America ("Chamber") is the world's largest business federation. As the nation's leading advocate for business, the Chamber represents companies and professional organizations of every size, in every industry sector, and from every region of the country. An important function of the Chamber is to represent the interests of its members in matters before Congress, the Executive Branch, and the courts. To that end, the Chamber regularly files *amicus curiae* briefs in cases that present issues of concern to the nation's business community.

This case, which involves the interpretation and application of a disaster-relief provision that Congress enacted for taxpayers impacted by federally declared disasters, presents just such an issue. The Chamber has a substantial interest in ensuring that disaster-relief provisions like this one are administered according to their terms and applied uniformly to affected taxpayers. Businesses of every size depend on predictable and evenhanded administration of the Internal Revenue Code ("IRC"), particularly when Congress has determined that extraordinary circumstances warrant temporary relief from otherwise applicable tax-administration rules.

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[1] Pursuant to Tax Court Rule 151.1(c)(3), *amicus curiae* states that no counsel for any party authored this brief in whole or in part and no person or entity, aside from *amicus curiae*, its members, or its counsel, made any monetary contribution intended to fund the preparation or submission of this brief.

INTRODUCTION AND SUMMARY OF ARGUMENT

This case is not about whether Petitioners owed tax. They did. Nor is it about whether interest ordinarily accrues on an underpayment of tax. It does. The question before this Court is narrower: whether interest stops accruing during a period that Congress required be "disregarded" under IRC § 7508A(d) because the taxpayer was affected by a federally declared disaster, here the COVID pandemic. Under the version of section 7508A applicable to the COVID disaster, the Chamber respectfully submits that the answer is yes.[2]

Ordinarily, underpayment interest accrues from the date a tax becomes due until payment is made. Petitioners' liabilities arise from tax years 2015, 2016, and 2017, and the original payment due dates for those liabilities all preceded the federally declared disaster associated with the COVID pandemic. In calculating interest, Respondent included days that fell within the COVID disaster period. Respondent contends this was correct because disaster-period relief affects interest only when a taxpayer's payment obligation, or some other qualifying tax act, first became due *during* the disaster-relief period. Petitioners respond that section 7508A's direction to disregard a disaster period for purposes of "any interest" has no such limitation and requires those days to be excluded from the interest

[2] Because section 7508A has been amended, references to section 7508A are to the version in effect during the COVID disaster period, unless otherwise noted.

computation.

Petitioners' reading is correct for at least three reasons.

First, the text and structure of section 7508A confirm that relief from underpayment interest is an independent statutory consequence of the disaster period itself. Under section 7508A(d)(1), Congress directed that a mandatory disaster period be disregarded "in the same manner as a period specified under subsection (a)." Subsection (a), in turn, applies the disregarded-period rule to three separate determinations: whether specified tax-related acts were performed timely, the amount of any interest and certain other monetary charges, and the amount of any credit or refund. Once the disaster period is identified, paragraph (a)(2) supplies an independent rule for determining the amount of interest, and nothing in the statutory text limits that rule to liabilities whose original payment dates fell within that period. Respondent's contrary reading requires paragraph (a)(2) to operate as though it were dependent on paragraph (a)(1), and as though subsection (d) incorporated only the timeliness rules for specified acts rather than subsection (a) as a whole. Neither the text, structure, nor operative regulations support conditioning disaster-period interest relief on when the underlying liability became due.

Second, the development of section 7508A reinforces that reading. Congress originally *excluded* underpayment interest from disaster relief. In 2002, however, Congress fundamentally restructured the statute, not only adding relief for interest, but making interest a separate category of relief under paragraph (a)(2). Congress then extended that relief—on a mandatory basis—when it enacted the mandatory disaster-period rule in 2019, directing that the disaster period be disregarded in the same manner as a period specified under subsection (a). That Congress prospectively narrowed subsection (d) in 2021 further confirms that the broader version governing the disaster period carried the full consequences identified in subsection (a), including paragraph (a)(2)'s treatment of interest.

Third, comparison with section 7508 underscores the significance of Congress's choices in section 7508A. Although section 7508 supplied the historical foundation for the disregarded-period mechanism, Congress chose a materially different structure when it amended section 7508A in 2002. Rather than treating interest as a consequence of postponed acts, Congress made interest (and penalties, additions to tax, etc.) the subject of a separate operative provision. That distinction reflects Congress's decision to provide relief from disaster-period interest independently of the timing rules governing specified acts.

Petitioners' reading also accords with common sense: section 7508A applies broadly to qualified individuals and businesses affected by federally declared disasters. For those taxpayers, the significance of disaster-period interest relief does not depend on whether an underlying liability became due the day before a disaster or the day after it. In either circumstance, the taxpayer experiences the same disaster during the same congressionally designated period. And in either circumstance, paragraph (a)(2) addresses interest attributable to that period rather than the historical date on which the underlying liability first arose.

Petitioners' reading of the statute also remains a limited one. It does not eliminate any tax liability, alter any original payment deadline, or excuse interest attributable to periods before or after the disaster period. Rather, it gives effect to Congress's specific instruction that a defined disaster period be disregarded when determining the amount of interest. The result is simply that—consistent with the language Congress employed in section 7508A—taxpayers affected by a federally declared disaster are not charged daily compounding underpayment interest for days that Congress directed Respondent to disregard.

STATUTORY BACKGROUND AND PROCEDURAL POSTURE

A. Sections 6601 and 6622 establish the ordinary rules governing underpayment interest.

Sections 6601 and 6622 of the IRC provide the general framework for calculating interest on unpaid federal tax liabilities. Under section 6601(a), if tax is not paid on or before the prescribed due date, interest accrues on the unpaid amount from that date until payment is made at the underpayment rate established by section 6621. IRC §§ 6601(a), 6621(a)(2). Section 6622 generally requires that this interest be compounded daily. IRC § 6622(a). Thus, the amount of underpayment interest ordinarily depends on three variables: the unpaid tax liability, the applicable statutory interest rate, and the number of days included in the interest computation.

B. Congress enacted sections 7508 and 7508A to provide relief to taxpayers suffering during wartime conditions, or recovering from disasters or terrorist attacks.

Congress established the disregarded-period mechanism in section 7508 and its predecessor. Congress first employed the disregarded-period mechanism in 1942 as part of legislation in response to World War II. Former section 3804 of the Internal Revenue Code of 1939 (the statutory predecessor to section 7508) directed that designated periods associated with wartime conditions be disregarded in determining the timeliness of enumerated tax-related acts. And Congress not only granted relief, but did so retroactively to December 7, 1941, the date of the attack on Pearl Harbor. Revenue Act of 1942, ch. 619, § 507(a), (c), 56 Stat. 798, 961–64.

After the World War II combat-zone tax relief provision lapsed, Congress enacted new combat-zone tax relief provisions in the Revenue Act of 1950, this time in response to the Korean War. *See* Pub. L. No. 81-814, tit. II, § 202(a), 64 Stat. 906, 927 (1950); Exec. Order No. 10195, 15 Fed. Reg. 9177 (Dec. 22, 1950). Congress subsequently recodified the provision as section 7508 in the Internal Revenue Code of 1954. IRC, ch. 736, § 7508, 68A Stat. 3, 898 (1954).[3] Under section 7508, for a taxpayer serving in a combat zone or contingency operation, a

[3] The Internal Revenue Code of 1954 generally reorganized and recodified the Internal Revenue Code of 1939. *See* Pub. L. No. 83-591, 68A Stat. 730 (1954).

specified period "shall be disregarded" in determining, "under the internal revenue laws, in respect of any tax liability (including any interest, penalty, additional amount, or addition to the tax)," whether various tax-related acts were timely performed. IRC § 7508(a), (a)(1). Those acts include filing returns, paying tax, petitioning the Tax Court, filing administrative refund claims and refund suits, assessment, and collection. IRC § 7508(a)(1)(A)–(K).

Congress adapted the disregarded-period mechanism more broadly for disaster relief under section 7508A. When Congress later enacted section 7508A in 1997, it adapted this established disregarded-period mechanism for taxpayers affected by federally declared disasters and by certain terroristic or military actions. As originally enacted, section 7508A authorized the Secretary to postpone certain tax-related deadlines for taxpayers affected by a presidentially declared disaster, largely mirroring the "disregarded period" framework established by section 7508 while making several important modifications. Taxpayer Relief Act of 1997, Pub. L. No. 105-34, tit. IX, § 911, 111 Stat. 788, 877 (1997). Specifically, section 7508A incorporated by reference the enumerated acts listed in section 7508(a)(1) (e.g., filing returns and paying tax, among other things) and applied the disregarded-period rule to "any penalty, additional amount, or addition to the tax." *Id.* at 877–78. Interest, however, was not included in new section 7508A. Rather, the statute expressly *excluded* both underpayment and overpayment interest. *Id.* It also made relief discretionary rather than mandatory and limited the disregarded period to no more than ninety days.[4] *Id.*

Congress restructured section 7508A in 2002 to address interest separately from enumerated acts. Soon after the terrorist attacks of September 11, 2001, Congress amended section 7508A in 2002 to expand taxpayer relief. As explained, subsection (a) had focused principally on whether specified acts were timely performed and on the calculation of credits and refunds; it expressly *excluded* relief from interest on underpayments. *See* IRC § 7508A(a) (2001). The 2002 amendments expanded taxpayer relief to include interest. But rather than extending the existing framework, Congress revised subsection (a)'s structure.

Specifically, Congress did not simply mirror section 7508's structure and add the word "interest" into the existing language of paragraph (a)(1). Instead, it reorganized subsection (a) by creating three independent paragraphs. Pub. L. No.

[4] Congress followed a similar approach in 1999 when it enacted temporary relief relating to potential "Y2K" failures anticipated on January 1, 2000. Although uncodified, that provision likewise employed section 7508's act-centered framework. But it also provided relief from interest, in that case by including "any interest" within the provision's introductory description of the covered tax liability, specifically within the parenthetical phrase "(including any interest, penalty, additional amount, or addition to the tax)," and incorporated rules similar to those contained in section 7508(b), which addresses the effect of a postponement period on interest, penalties, and certain overpayment and refund determinations, and section 7508(e), which provides exceptions to the postponement rules in specified collection and enforcement contexts. Pub. L. No. 106-170, tit. V, § 522(a)–(b), 113 Stat. 1860, 1927 (1999).

107-134, tit. I, § 112(a), 115 Stat. 2427, 2433–34 (2002).[5] In doing so, Congress created a separate paragraph—paragraph (a)(2)—addressing relief from interest and, by relocating the existing reference to "any penalty, additional amount, or addition to the tax" from the parenthetical in subsection (a), incorporated that relief into the new paragraph alongside interest relief. *Compare* IRC § 7508A (2001), *with* IRC § 7508A (2002).[6] As a result, subsection (a) no longer focused solely on the timeliness of specified tax-related acts. It also treated relief from interest and other monetary consequences as a distinct statutory category of taxpayer relief.

Congress carried that structure forward into the 2019 statute, which governs this case. Congress carried forward the 2002 restructuring framework into the mandatory disaster-period rule enacted in 2019, which requires a specified disaster period to be disregarded for certain federally declared disasters. Under paragraph (d)(1), Congress provided that the period "shall be disregarded in the same manner as a period specified under subsection (a)." IRC § 7508A(d)(1). By its terms, that

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[5] For the Court's convenience, the Appendix reproduces relevant portions of section 7508 (1997), section 7508A (1997), and section 7508A as amended in 2002 and retained through 2019, enabling a comparison of the relevant statutory texts across versions.

[6] Because Petitioners have placed only interest at issue, this brief likewise focuses on interest and discusses penalties, additional amounts, and additions to tax only insofar as they bear on the structure of section 7508A. To the extent those categories are implicated at all, the relevant questions would concern time-based charges, as discussed in section II.A.

cross-reference incorporated the entirety of subsection (a) as it then existed.[7]

As relevant here, both the 2002 and the 2019 versions of subsection (a) applied a disregarded period to three separate determinations. Paragraph (a)(1) addressed whether specified tax-related acts were performed timely. Paragraph (a)(2) addressed "the amount of any interest, penalty, additional amount, or addition to the tax." Paragraph (a)(3) addressed the amount of any credit or refund. IRC § 7508A(a)(1)–(3).[8] These distinctions are particularly important here because this case concerns underpayment interest governed by paragraph (a)(2), not the timeliness of a filing under paragraph (a)(1) nor the amount of a credit or refund under paragraph (a)(3).

Congress's recent amendments shed light on the 2019 statute but do not

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[7] In *Abdo v. Commissioner*, this Court interpreted the COVID-era version of the statute and held that subsection (d) was mandatory and self-executing rather than dependent on antecedent discretionary action by the IRS under subsection (a). 162 T.C. 148, 168–69 (2024), *action on dec.* 2026-01 (May 15, 2026) (acquiescing in result only). The Court accordingly invalidated portions of Treasury's 2021 regulation insofar as they contravened that interpretation. The IRS did not appeal that decision and instead subsequently issued an Action on Decision acquiescing in the result reached by the Court, while disagreeing with portions of the Court's reasoning. *See id.* Though correctly decided, *Abdo* did not resolve the question presented here. Although it established that the disaster period applies automatically, it did not address whether that period must be disregarded in computing underpayment interest on liabilities whose payment due dates preceded the disaster.

[8] Section 7508(b), incorporated through section 7508A(c), separately governs overpayment interest. IRC §§ 7508(b), 7508A(c).

apply here. Although not applicable to this case, in November 2021, Congress prospectively narrowed subsection (d) of section 7508A. For federally declared disasters declared after November 15, 2021—which does not include COVID—Congress replaced the directive to disregard the disaster period "in the same manner as a period specified under subsection (a)" with a more limited rule providing that the disaster period shall be disregarded only in determining "whether any of the acts described in subparagraphs (A) through (F) of section 7508(a)(1) were performed within the time prescribed therefor." Pub. L. No. 117-58, div. H, tit. V, § 80501(a)(1)(B), (b), 135 Stat. 429, 1335 (2021). Congress subsequently redesignated that subsection for declarations made after July 24, 2025. Pub. L. No. 119-29, § 2(a), (c), 139 Stat. 472 (2025).

C. Respondent calculated Petitioners' interest by including days falling within the disaster period.

This case arises from Petitioners' unpaid tax liabilities from their 2015, 2016, and 2017 taxable years. By January 20, 2020, the first day of the COVID disaster-relief period at issue, interest under section 6601 had already been accruing on each of Petitioners' unpaid liabilities for some time. The IRS subsequently assessed underpayment interest on those liabilities, and those assessments included interest computed for the days falling within the COVID disaster-relief period. Pet'rs' Mot. to Redetermine Interest ¶ 30, *Wepplo v. Comm'r*, No. 36722-21 (T.C. Apr. 10, 2026)

("Pet'rs' Mot.").

Petitioners brought this proceeding to challenge Respondent's interest determination, contending that the disaster-relief period should have been excluded from the computation of underpayment interest. Pet'rs' Mot. ¶¶ 15–36. Following a settlement, the Court entered a decision, Petitioners paid the tax due and related interest, and Petitioners thereafter timely moved under Rule 261 and section 7481(c) for a redetermination of interest. *See* Order at 1, *Wepplo v. Comm'r*, No. 36722-21 (T.C. July 2, 2026).

The parties also dispute the length of the disaster period. That dispute arises from the federal disaster declarations and related FEMA notices applicable to California. On March 22, 2020, at the direction of the President, FEMA issued a major-disaster declaration for California, stating that COVID conditions were "beginning on January 20, 2020, and continuing." *California; Major Disaster and Related Determinations*, 85 Fed. Reg. 20703, 20704 (Apr. 14, 2020). FEMA subsequently announced that the incident period for all COVID major-disaster declarations would end effective May 11, 2023. 88 Fed. Reg. 8884 (Feb. 10, 2023).

Relying on those FEMA notices and section 7508A(d)(1)(B)'s instruction that the disaster period ends "60 days after the latest incident date so specified," the Court of Federal Claims held that May 11, 2023, was the "latest incident date" and therefore calculated the subsection (d) COVID disaster period as running from

January 20, 2020, through July 10, 2023—*i.e.*, sixty days after May 11, 2023. *Kwong v. United States*, 179 Fed. Cl. 382 (2025), *appeal docketed*, No. 26-1843 (Fed. Cir. May 20, 2026); *see also* Pet'rs' Mot. ¶¶ 21–24. Respondent disagrees and has appealed that decision to the Federal Circuit. *See* No. 26-1843 (Fed. Cir. May 20, 2026). Respondent advances the same arguments in this case.

The Chamber agrees with the Court of Federal Claims' analysis of the COVID disaster period's duration and therefore focuses this brief on the distinct question that *Kwong* did not address: whether section 7508A excludes that period from the section 6601 interest computation for liabilities whose original payment due dates preceded the disaster period. Even if this Court or the Federal Circuit were to identify a different disaster period, the interest issue would remain the same. It would simply apply to that different disaster period. To assist the Court in answering the interest-computation question, the Chamber will examine the operative text and structure of section 7508A and its companion provision, section 7508, the historical development of the disregarded-period mechanism, the significance of the regulatory provisions promulgated in 2009 and 2021, and the administrability of Petitioners' construction.

ARGUMENT

I. Section 7508A(d) Provides Taxpayer Relief for Any Interest Accrued During the COVID disaster period.

A. Once the disaster period is identified, section 7508A(a)(2) independently requires that period to be excluded from the interest computation.

Statutory interpretation "begin[s] with the text." *Lackey v. Stinnie*, 604 U.S. 192, 199 (2025). Courts presume that Congress "says in a statute what it means and means in a statute what it says there." *Conn. Nat'l Bank v. Germain*, 503 U.S. 249, 253–54 (1992). The statutory text resolves this case: once a disaster period covered by section 7508A is identified, paragraph (a)(2) independently directs that "any interest" is disregarded during the disaster-relief period identified under subsection (d)'s mandatory directive.

1. Subsection (d) incorporates paragraph (a)(2)'s independent interest-relief rule, not merely paragraph (a)(1)'s timeliness rule.

Section 7508A established both a discretionary disaster period and a mandatory disaster period for qualified taxpayers and directed that, with respect to the mandatory disaster period, it be disregarded "in the same manner" as the discretionary period "specified under subsection (a)." IRC § 7508A(d)(1). Subsection (a), in turn, disregards a disaster period in determining (1) "whether any of [certain enumerated acts] were performed within the time prescribed therefor"; (2) "the amount of any interest, penalty, additional amount, or addition to the tax for periods after such date"; and (3) "the amount of any credit or refund." IRC § 7508A(a). By incorporating "subsection (a)" as a whole into the subsection (d) mandatory disaster period, Congress incorporated all those provisions, including, as relevant here, paragraph (a)(2)'s instruction concerning interest. IRC § 7508A(d).

In determining the scope of (a)(2)'s grant of relief for "any interest, penalty, additional amount, or addition to the tax," the distinction between paragraphs (a)(1) and (a)(2) is key. Paragraph (a)(1) addresses whether specified acts were performed within the prescribed time. Paragraph (a)(2), by contrast, addresses "the amount of any interest, penalty, additional amount, or addition to the tax." IRC § 7508A(a)(1)-(2). Section 6601, in turn, computes underpayment interest based on elapsed time, measuring the period from the last date prescribed for payment until payment is made. IRC § 6601(a). Consequently, when Congress directs that a disaster period be disregarded in determining "the amount of any interest," the natural consequence is that the days included in the disaster period are omitted from the time-based interest computation. Nothing in section 7508A makes the application of the disaster period under paragraph (d)(1) dependent on the postponement of an act under paragraph (a)(1).

Properly understood, therefore, paragraph (a)(2)'s independent computational function resolves the interpretive question. The liabilities at issue became due in April 2016, April 2017, and April 2018—*i.e.*, before the onset of the COVID disaster period. Resp't's Resp. in Opp'n to Pet'rs' Mot. to Redetermine Interest 4–5, *Wepplo v. Comm'r*, No. 36722-21 (T.C. June 17, 2026) ("Resp't's Br."). The taxpayers' original payment dates remain unchanged, and interest accrued before January 20, 2020, remains fully chargeable. But once the section 6601 interest computation reaches the disaster period, the covered days are omitted from the calculation, and interest resumes only after the disaster period ends.

Indeed, rather than providing any textual indication that it was limiting paragraph (a)(2) to interest on liabilities becoming due during a disaster period, Congress used the word "any" twice in the operative provision. Subsection (a) applies with respect to "*any* tax liability" and directs the Secretary to determine "the amount of *any* interest." IRC § 7508A(a), (a)(2) (emphases added). As the Supreme Court has explained, "[r]ead naturally, the word 'any' has an expansive meaning, that is, 'one or some indiscriminately of whatever kind.'" *Ali v. Fed. Bureau of Prisons*, 552 U.S. 214 (2008) (citation omitted). Nothing in the text limits "*any* interest" to interest that first became due during the disaster period or after the disaster date. And because subsection (d) incorporates subsection (a) as a whole, the disaster period must be omitted from the interest computation for a qualified taxpayer regardless of whether the liability's original payment date preceded the disaster.

Respondent's reading would narrow subsection (a)'s application from "any tax liability" to liabilities with original payment dates falling within the disaster period. *See* Resp't's Br. 11. But the statutory text does not contain such a limitation. Under settled principles of statutory interpretation, courts may not add restrictions that Congress omitted. *See Lamie v. U.S. Tr.*, 540 U.S. 526, 538 (2004) (declining to "read an absent word into the statute"); *BedRoc Ltd., LLC v. United States*, 541 U.S. 176, 183 (2004) ("[O]ur inquiry begins with the statutory text, and ends there as well if the text is unambiguous[.]"). Each numbered paragraph of subsection (a) identifies a separate determination to which the same disregarded period applies. *See Amazon.com Servs., LLC v. Teamsters Amazon Nat'l Negotiating Comm.*, 163 F.4th 624, 635–36 (9th Cir. 2025) (recognizing that separately phrased statutory provisions ordinarily perform different functions). The Court should therefore give paragraph (a)(2)'s interest-calculation language independent effect rather than add a limitation Congress did not enact. *See Siemens Med. Sols. USA, Inc. v. Comm'r*, 167 T.C. 5, 2026 WL 2040641, at *8 (2026) (presuming Congress "acts intentionally and purposely in the disparate inclusion or exclusion" of statutory language).

2. Congress incorporated subsection (a) as a whole and elsewhere used act-specific language when it wanted act-specific limits.

The structure of section 7508A(d) confirms that Congress knew how to impose act-specific and deadline-specific limitations when it wished to do so. As explained, section 7508A(d) incorporates not merely paragraph (a)(1)'s rules concerning the timeliness of specified acts, but all three determinations identified in subsection (a). That reading accords with *United States v. Williams*, where the Supreme Court relied on a provision's "clear" "grammar or structure" to conclude that a statutory requirement applied to a provision "in its entirety," including both of its "subdivisions." 553 U.S. 285, 294 (2008).

The distinct choices Congress made in section 7508A(d) show that Congress intentionally left paragraph (a)(2)'s interest relief untethered from the timing of the underlying tax liability. In paragraph (d)(4), Congress expressly limited relief to four identified pension-related actions, providing that the rule applied "with respect to" specifically enumerated transactions of making contributions, making distributions, recharacterizing contributions, and making rollovers. IRC § 7508A(d)(4)(A)–(D). Paragraph (d)(1), by contrast, contains no comparable limitation.

Another provision within subsection (d) makes this contrast all the sharper. Most categories of qualified taxpayers are defined by objective facts such as location or status. Yet paragraph (d)(2)(D) expressly references taxpayers whose records "necessary to meet a *deadline for an act* described in section 7508(a)(1) are maintained in a disaster area." IRC § 7508A(d)(2)(D) (emphasis added). Congress thus demonstrated within the very subsection at issue that it knew how to make eligibility turn on an act or deadline. It chose not to do so with respect to underpayment interest relief.[9]

B. Respondent's objections depend on rewriting the statute to add a due-date requirement in paragraph (a)(2).

1. Respondent's reading treats paragraph (a)(2)'s interest inquiry as coextensive with paragraph (a)(1)'s timeliness inquiry.

Respondent relies on the phrase "periods after such date" in paragraph (a)(2) to argue that the interest-relief provision is "co-extensive" with the act-postponement provision in paragraph (a)(1). Resp't's Br. 11. In Respondent's view, paragraph (a)(2)'s reference to "such date" incorporates paragraph (a)(1)'s due-date limitations and thus restricts interest relief to liabilities whose original due dates fall within a disaster period. *Id.*

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[9] Reinforcing this Court's holding in *Abdo*, paragraph (d)(5)'s coordination rule further confirms that the disaster period exists independently of any discretionary relief period established by Treasury under subsection (a). That paragraph provided that "[a]ny period described in paragraph [(d)](1)"—*i.e.*, the mandatory disaster period—shall be "in addition to (or concurrent with, as the case may be)" any period specified under subsection (a) or (b). IRC § 7508A(d)(5). Paragraph (d)(5) contemplates two distinct periods that may overlap or operate consecutively; one does not depend upon the existence of the other. Indeed, Respondent has acknowledged that paragraph (d)(5) prevents the mandatory disaster period from being "displaced" or "absorbed" by a discretionary postponement period. *See* Resp't's Br. 30. The coordination rule therefore confirms that the phrase "in the same manner" imports the consequences that follow once a disaster period exists, including paragraph (a)(2)'s interest-calculation rule. It does not merely tether subsection (d) relief to whatever acts or deadlines the IRS elects to postpone under subsection (a).

But that is not what the statute says. Paragraph (a)(1) first refers to "the date (determined by the Secretary) of such disaster or action." Then, paragraph (a)(2) addresses interest "for periods after such date," referring to the date of the disaster or action. IRC § 7508A(a)(1)–(2). Subsection (d) supplies the corresponding dates for the mandatory disaster period. Paragraph (d)(1)(A) begins the period on "the earliest incident date specified in the declaration," and the following paragraph ends the period sixty days after the latest incident date. IRC § 7508A(d)(1)(A)–(B). Respondent conflates the date on which a liability became due with the period for which interest accrues. A liability originally due before the disaster can nevertheless constitute interest "for periods after" the disaster date. The phrase therefore establishes a temporal limitation on interest accrual, not a due-date requirement for the underlying liability.

The text, grammar, and structure of section 7508A confirm that the phrase "for periods after such date" limits the relevant period of interest accrual without imposing a due-date requirement on the underlying liability. Far from being "superfluous" under Petitioners' reading (Resp't's Br. 12), the phrase performs important work by ensuring that relief does not extend to interest attributable to periods before the disaster. Thus, where a liability spans the disaster date, interest accruing before the disaster remains fully includable in the computation, while covered post-disaster days may be disregarded. *See* IRC § 7508A(a)(2), (d)(1). The statute's grammar points in the same direction. Grammatically, the phrase "for periods after such date" modifies "the amount of any interest, penalty, additional amount, or addition to the tax." IRC § 7508A(a)(2). It does not modify "tax liability," identify an original payment date, or create a condition tied to when the liability first became due. IRC § 7508A(a)(2).

The statute's structure likewise supports this reading. Subsection (a)'s introductory language identifies the relevant universe of liabilities; paragraph (a)(2) identifies the interest determination to be made; the phrase "for periods after such date" preserves pre-disaster interest accruals; and subsection (d) supplies the disaster period whose covered days must be disregarded in making that determination.

2. The regulations do not impose Respondent's due-date limitation, and any contrary reading of the regulations must yield to the statute.

No more successful is Respondent's invocation of Treasury regulations. Resp't's Br. 9. The language of the regulatory text does not support Respondent's reading of section 7508A, and the preamble language and examples do not alter the operative regulatory text.

Treasury's operative regulation, Treasury Regulation section 301.7508A-1(b)(2), mirrors section 7508A(a) by treating (i) postponement of acts and (ii) relief from interest as distinct forms of relief in two separate sentences. The first sentence conditions postponement of an act on the due date falling within the disaster-relief period. The second sentence provides, without qualification, that "[t]he affected taxpayer is eligible for relief from interest, penalties, additional amounts, or additions to tax during the postponement period." Treas. Reg. § 301.7508A-1(b)(2). Notably absent is any statement that interest relief applies only "with respect to" the postponed act identified in the first sentence. Nor does the regulation cross-reference section 7508A(a)(1), incorporate a due-date requirement, or otherwise limit interest relief to liabilities whose payment deadlines fall within the postponement period.

Respondent's interpretation conflates the two separate sentences of Treasury Regulation section 301.7508A-1(b)(2) just as it seeks to conflate the separate forms of relief established by Congress in section 7508A itself. For the same reasons discussed above regarding the statutory text, *see supra* section I.A.1, that reading cannot be reconciled with the regulation's actual text. The regulation separately addresses timely acts and relief from accruing interest, confirming that Treasury itself drafted the provision as establishing distinct categories of relief, with neither contingent on the other. *See* Treas. Reg. § 301.7508A-1(b)(1), (2).

Respondent's regulatory argument rests largely on Treasury's 2009 preamble and several illustrative examples accompanying Treasury Regulation section 301.7508A-1. Resp't's Br. 8–9. Even if those materials reflect Treasury's view that disaster-related interest relief is tied to the due date of the underlying payment obligation, that observation does not resolve the issue before the Court. The regulation itself does not impose the due-date limitation that appears in the preamble and examples, and Respondent therefore relies on non-operative interpretive materials to supply a restriction absent from the regulatory text.

A regulatory preamble may assist in interpreting ambiguous language, but it cannot create a substantive requirement absent from the regulation itself. As the Tenth Circuit has explained, "limitations that appear in the preamble do not appear in the language of the regulation," and courts therefore may not "engraft those limitations onto the language." *Peabody Twentymile Mining, LLC v. Sec'y of Lab.*, 931 F.3d 992, 998 (10th Cir. 2019). The court further emphasized that, although a preamble may inform interpretation, it "is not binding and cannot be read to conflict with the language of the regulation itself." *Id.* Likewise, the D.C. Circuit has held that "language in the preamble of a regulation is not controlling over the language of the regulation itself." *Wyo. Outdoor Council v. U.S. Forest Serv.*, 165 F.3d 43, 53 (D.C. Cir. 1999); *accord Wilgar Land Co. v. Dir., Office of Workers' Comp. Programs*, 85 F.4th 828, 837 (6th Cir. 2023). Because here the regulation's operative text contains no due-date limitation on interest relief, Respondent cannot rely on the preamble to supply one.

The same principle applies to regulatory examples upon which Respondent relies. Resp't's Br. 9. Indeed, this Court has held numerous times that "[e]xamples are merely illustrative and are not controlling where the language is clear and explicit." *Bayley v. Comm'r*, 69 T.C. 234, 244–45 (1977); *Solomon v. Comm'r*, 67 T.C. 379, 386 (1976) ("The examples in the . . . Treasury regulations are merely illustrative; they do not purport to limit the application of [the] section[.]"). Treasury itself expressly characterizes the examples as "illustrat[ions]" of "[t]he rules of this section." Treas. Reg. § 301.7508A-1(f). They illustrate the regulation's operation; they do not alter its meaning and cannot create distinct substantive rules. Accordingly, neither the preamble nor the examples can supply the due-date restriction that Treasury rightly (as it is not in the statutory text) chose to omit from the regulation's operative language.

In any event, even if the regulation were read to impose a due-date limitation, that reading would not be consistent with the statute let alone represent the statute's best reading. Even if the regulation conditioned interest relief on the due date of the underlying payment obligation, that interpretation conflicts with the statutory text and cannot survive judicial review under *Loper Bright*. Following *Loper Bright Enterprises v. Raimondo*, courts do not ask whether an agency's interpretation is merely permissible but must exercise independent judgment and determine the statute's "best reading." 603 U.S. 369, 400, 412–13 (2024). As demonstrated above, *supra* section I.A, the best reading of section 7508A(d) treats relief from interest as an independent statutory consequence of a federally declared disaster period. Thus, even assuming the regulations conflicted with the statute, Treasury cannot displace the statute's best reading through contrary regulation and, instead, must yield to the controlling statutory text. *See Siemens Med. Sols.*, 2026 WL 2040641, at *10 (explaining that where the regulation "creates a contradiction, . . . the statute must prevail").[10]

C. The development of section 7508A, along with a comparison to its sister statute, section 7508, confirms Petitioners' reading.

1. The manner in which section 7508A developed reinforces the conclusion that interest does not accrue during a disaster period.

The evolution of section 7508A confirms the plain meaning of the statutory text. The statute's development from 1997 through 2021 shows that Congress repeatedly made deliberate choices regarding the treatment of interest and the effect of disaster-related postponements. Read as a whole, that history reinforces the conclusion that, under the version of subsection (d) applicable here, the disaster period is excluded from the determination of underpayment interest regardless of when the interest began accruing.

[10] The Court need not invalidate section 301.7508A-1 to reject Respondent's position. In the first instance, the Court may simply recognize that Examples 2, 6, and 8 are illustrative and cannot create a substantive limitation absent from the regulatory text itself. On that understanding, relief from interest accruing during a disaster period is entirely consistent with the separate sentences in paragraph (b)(2) of the regulation (which are the operative rules here). In other words, as Examples cannot create rules, there is no rule in the regulation to invalidate.

The original version of section 7508A provides an important baseline. As enacted in 1997, subsection (a) directed that a specified period be disregarded "in respect of any tax liability (including any penalty, additional amount, or addition to the tax)" of an affected taxpayer. Taxpayer Relief Act of 1997, Pub. L. No. 105-34, tit. IX, § 911(a), 111 Stat. 788, 877–78 (1997). The statute then identified two determinations to which that disregarded-period rule applied: whether the acts incorporated from section 7508(a)(1) had been timely performed, and the amount of any credit or refund. Penalties, additional amounts, and additions to tax were therefore subsumed within the introductory description of the taxpayer's liability. They were not treated as separate determinations. Interest, however, was treated differently. Subsection (b) expressly provided that subsection (a) "shall not apply for the purpose of determining interest on any overpayment or underpayment." *Id.* Thus, section 7508A began not from silence regarding interest or penalty relief. Rather, penalty relief was embedded within an act-centered structure and interest relief was expressly *excluded*.

Congress fundamentally redesigned section 7508A in 2002. The 2002 amendment did not merely delete the exclusion of underpayment interest, but restructured subsection (a) entirely. It removed "penalty, additional amount, or addition to the tax" from the introductory description of a taxpayer's liability and grouped those items together with newly eligible interest in a separate paragraph governing "the amount of any interest, penalty, additional amount, or addition to the tax for periods after" the applicable date. Pub. L. No. 107-134, tit. I, § 112(a), 115 Stat. 2427, 2433–34 (2002); IRC § 7508A(a)(2). Following the redesign, subsection (a) no longer provided relief through a single act-centered determination. Instead, it established three separate categories of relief: paragraph (a)(1) addresses whether specified acts were timely performed; paragraph (a)(2) addresses the amount of interest, penalties, additional amounts, and additions to tax; and paragraph (a)(3) addresses the amount of any credit or refund. IRC § 7508A(a)(1)–(3).

That wholesale restructuring is significant. Congress easily could have inserted interest into the original introductory parenthetical and otherwise preserved the prior structure, as section 7508 continues to do. It did not. By moving penalties and similar charges out of the introductory language and into a separate operative paragraph, then adding interest to that same paragraph, Congress established a distinct category of taxpayer relief. Paragraph (a)(2) therefore does more than describe liabilities that arise from untimely acts under paragraph (a)(1); it identifies an independent determination to which the disregarded-period rule applies.[11]

[11] A comparison of Congress's treatment of interest in sections 7508A and 7508 is instructive. Before 2002, section 7508A expressly excluded relief from both overpayment and underpayment interest. *See* IRC § 7508A(b) (1997). In 2002, however, Congress retained the rule that overpayment interest remained unaffected while eliminating the parallel limitation for underpayment interest and adding "interest" in subsection (a)(2) as a separate object of relief. *See* IRC §§ 7508(b), 7508A(a)(2), (c) (post-2002). That sequence demonstrates that Congress treated interest with particular care. Respondent's contrary reading makes the 2002 amendment difficult to explain. If paragraph (a)(2) merely reflected the interest

The Joint Committee on Taxation's contemporaneous explanations corroborate the same understanding. The technical explanation of the legislation ultimately passed by both chambers stated that interest on underpayments could be waived or abated under section 7508A, and the earlier technical explanations used the same formulation. *See* J. Comm. on Tax'n, Technical Explanation, JCX-93-01, at 20; JCX-83-01, at 22; JCX-86-01, at 18. Likewise, the Joint Committee's comparison document separately described authority to extend tax-related deadlines and authority to waive interest. J. Comm. on Tax'n, Comparison, JCX-87-01, at 5. These materials confirm that the 2002 amendment did not merely affect filing deadlines; it expanded section 7508A to make underpayment interest an independent object of relief.

The Joint Committee's 2019 pre-enactment explanation similarly confirms that subsection (d)'s disaster period carried all three consequences listed in subsection (a), including paragraph (a)(2)'s interest determination. Before enactment, the Joint Committee explained that H.R. 3301's disaster period would be disregarded in determining all three matters identified in subsection (a), including "the amount of interest, penalty, additional amount, or addition to tax." J. Comm.

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consequences of postponing acts under paragraph (a)(1), Congress's decision to remove the underpayment-interest carveout would have accomplished little, because postponing a payment deadline already prevents section 6601 interest from running until the postponed due date. The better reading is that Congress removed the carveout because paragraph (a)(2) authorizes relief from underpayment interest in its own right, apart from paragraph (a)(1)'s timeliness rules.

on Tax'n, Description of H.R. 3301, the "Taxpayer Certainty and Disaster Tax Relief Act of 2019," JCX-30-19, at 87 (June 18, 2019).[12] The Joint Committee on Taxation thus, consistent with the statute, described interest as an express statutory consequence of the disaster period itself, not merely as a derivative consequence of postponed taxpayer acts.

Congress then enacted subsection (d) using the same subsection-wide approach. The statute provides that the disaster period "shall be disregarded in the same manner as a period specified under subsection (a)." Pub. L. No. 116-94, div. Q, tit. II, § 205(a), 133 Stat. 2534, 3245–46 (2019); IRC § 7508A(d)(1). The Joint Committee's pre-enactment explanation therefore maps directly onto the enacted cross-reference and confirms that the new mandatory rule incorporated all three categories of relief established by subsection (a), including the separate interest determination contained in paragraph (a)(2).

Congress's 2021 amendment confirms that the prior version of subsection (d) operated more broadly. In 2021, Congress abandoned subsection (d)'s prior subsection-wide incorporation of subsection (a) and replaced it with specific language directing that the disaster period be disregarded solely in determining

[12] JCX-30-19 was prepared for the House Committee on Ways and Means' scheduled June 20, 2019, markup of H.R. 3301. No committee report concerning the provision was issued before its enactment on December 20, 2019. H.R. Rep. No. 116-379 was filed on January 21, 2020.

"whether any of the acts described in subparagraphs (A) through (F) of section 7508(a)(1) were performed within the time prescribed therefor." IRC § 7508A(d)(1) (2021). The amendment applied prospectively to disasters declared after November 15, 2021.

That textual revision must be given effect according to its terms. Respondent has subsequently characterized the 2021 amendment as a "clarifi[cation]" that only taxpayer acts, and not governmental actions, are subject to mandatory postponement. I.R.S. Action on Decision 2026-1, 2026-23 I.R.B. 1556. But a post-enactment administrative characterization cannot control the meaning of the prior statute. *See Amazon.com, Inc. & Subs. v. Comm'r*, 934 F.3d 976, 991–92 & n.16 (9th Cir. 2019). Nor can Respondent's interpretation be reconciled with the presumption that Congress amends statutory text to accomplish a substantive change. *See, e.g.*, *Stone v. INS*, 514 U.S. 386, 397 (1995) (presuming that Congress intended an amendment to have "real and substantial effect"); *see also Altera Corp. & Subsidiaries v. Comm'r*, 926 F.3d 1061, 1079 (9th Cir. 2019) ("It is illogical to argue that amending a singular statute does not alter its meaning."). Respondent's reading would give the pre-2021 and post-2021 versions of subsection (d) substantially the same effect, despite Congress's replacement of subsection-wide incorporation language with an express act-specific limitation. The more logical conclusion is that Congress changed the law because it had to: the 2019 statute incorporated the full range of consequences specified in subsection (a), whereas the 2021 amendment prospectively narrowed the mandatory rule to the timeliness of specified taxpayer acts. Respondent's position would effectively accelerate that narrowing amendment and apply it to periods for which Congress expressly declined to do so.

Read chronologically, the statutory evolution reinforces the textual analysis above, *supra* section I.A. In 2002, Congress brought underpayment interest within section 7508A and made it a distinct object of relief. In 2019, Congress provided that the new mandatory disaster period would operate "in the same manner as a period specified under subsection (a)," IRC § 7508A(d)(1), and contemporaneous enactment materials explained that this incorporation carried all three consequences identified in subsection (a), including the determination of interest under paragraph (a)(2). In 2021, Congress prospectively replaced that broad incorporation rule with an expressly act-specific limitation. Taken together, that sequence confirms that during the COVID disaster period subsection (d) applied paragraph (a)(2)'s interest determination to the disaster period and did not impose an unstated condition that the taxpayer's original payment due date fall within that period.

2. Unlike section 7508's act-centered structure, section 7508A makes interest a separate category of relief.

Scrutiny of sections 7508A and 7508 confirms that Congress adopted materially different approaches to interest under the two provisions. Section 7508 supplied the model for the disregarded-period mechanism that Congress later incorporated into section 7508A. Under section 7508(a), the protected period "shall be disregarded in determining . . . in respect of any tax liability (including any interest, penalty, additional amount, or addition to the tax)," whether the acts enumerated in paragraph (a)(1) were timely performed. IRC § 7508(a), (a)(1). Interest thus appears in the introductory language of a provision principally concerned with the timing of specified acts rather than as a separate numbered provision. Viewed on its own terms, that structure permits an argument that section 7508's treatment of interest is tied to the timeliness of the acts identified in paragraph (a)(1). In contrast, as explained, section 7508A creates three distinct determinations to which the disregarded-period rule applies defeating any interpretation that interest is tied to a specified act. IRC § 7508A(a)(1)–(3).

That structural distinction matters: Congress legislated simultaneously with respect to both sections 7508 and 7508A in 2002. As described above, section 112(a) of the Victims of Terrorism Tax Relief Act rewrote section 7508A(a), placing interest in a separate paragraph. The very next subsection, section 112(b), amended section 7508(a)(1)(K), one of the enumerated acts incorporated by the newly revised section 7508A(a)(1). Pub. L. No. 107-134, tit. I, § 112(a)–(b), 115 Stat. 2427, 2433–34 (2002). Congress thus had section 7508's act-centered structure directly before it, yet chose not to reproduce that structure when addressing interest under section 7508A. That choice matters. By revising the structure of section 7508A while preserving section 7508's existing framework, Congress indicated that the two provisions were intended to operate differently. And even if common sense were insufficient to support that conclusion, the Supreme Court has explained, "[w]here Congress includes particular language in one section of a statute but omits it in another section of the same Act, it is generally presumed that Congress acts intentionally and purposely in the disparate inclusion or exclusion." *Russello v. United States*, 464 U.S. 16, 23 (1983) (citation omitted). Instead, here, it adopted a materially different formulation that made interest the subject of an independent operative rule. The proximity of the amendments reinforces the conclusion that the difference was deliberate.

It is finally worth observing that even under section 7508's less explicit formulation, Respondent has not treated the original payment date of a liability as a categorical limitation on interest relief. In Notice 2002-17, Respondent considered a servicemember who entered a combat zone while already making installment payments on "back income taxes." I.R.S. Notice 2002-17, Q&A 25, 2002-1 C.B. 567. The IRS stated that the servicemember need not make installment payments during the protected period and that "[n]o additional penalties or interest" would accrue during that period. *Id.* Respondent's current published guidance takes the same position. *See* I.R.S., *Extension of Deadlines – Combat Zone Service*, Q&A 28 (last updated Feb. 28, 2026), https://www.irs.gov/newsroom/extension-of-deadlines-combat-zone-service. Thus, even in the context of section 7508, Respondent has recognized interest relief for liabilities whose original due dates preceded the commencement of the protected period.[13]

II. Petitioners' Construction Gives Taxpayers Only the Disaster-Period Interest Relief Congress Provided.

Properly understood, Petitioners' construction produces a narrow and uniformly applicable result tied to the specific disaster-period rule Congress enacted. Congress determined that certain days should be treated as though they did not count for specified tax-computation purposes. Petitioners seek only the arithmetic consequence of that instruction: excluding the designated COVID disaster period days from a time-based interest computation. That interpretation neither alters Petitioners' underlying liabilities nor grants relief beyond the period Congress directed be disregarded.

A. Excluding only COVID disaster period days is a narrow, mechanical calculation that leaves all tax and non-disaster interest intact.

[13] That this guidance involves installment obligations that otherwise would have come due during the protected period is of no moment. The underlying liability in Respondent's example was a preexisting back-tax obligation whose original payment date preceded the taxpayer's entry into the combat zone. Respondent nevertheless concluded that additional interest would not accrue during the protected period. The guidance therefore undermines any categorical claim that the age of the underlying liability invariably controls the availability of interest relief under a disregarded-period statute. Indeed, that would mean that section 7508 provides interest relief for preexisting liabilities only when the taxpayer enters an installment arrangement, but not when the taxpayer owes the same liability outside such an arrangement. There is neither a common-sense basis nor a statutory basis for that distinction.

Petitioners' construction of section 7508A is carefully bounded both in subject matter and in duration. It does not eliminate any tax principal, alter a taxpayer's original payment deadline, or erase interest attributable to days preceding January 20, 2020. *See* IRC §§ 6601(a), 7508A(a)(2), (d)(1). The tax liability remains the same, the due date remains the same, and interest accruing before the statutory disaster period remains fully collectible. Nor does Petitioners' reading necessarily affect penalties or additions to tax that are not calculated by reference to elapsed time. *See Bowen v. Comm'r*, Nos. 2215-24, 2216-24, 2219-24 & 562-25, Order at 2–3 (T.C. July 21, 2026). Such liabilities often depend instead on a taxpayer's conduct, the existence and amount of an underpayment, or the accuracy of information reported on a return. The question this Court must resolve is considerably narrower: whether ordinary section 6601 underpayment interest attributable to the disaster period is included in the interest computation.

Petitioners' position is also limited by Congress's prospective amendment to subsection (d). The COVID disaster period is governed by the pre-2021 version of section 7508A(d), which directed that the disaster period be disregarded "in the same manner as a period specified under subsection (a)." IRC § 7508A(d)(1). In 2021, Congress prospectively replaced that broad incorporation rule with a more limited, act-specific framework for federally declared disasters beginning after November 15, 2021. Pub. L. No. 117-58, div. H, tit. V, § 80501(a)(1)(B), (b), 135 Stat. 429, 1335 (2021). A ruling for Petitioners would not extend the pre-2021 formulation to later disasters; it would simply apply the version of section 7508A(d) that governed the COVID disaster period before Congress changed the law.

Petitioners' reading is also straightforward to administer. Once a taxpayer's qualification for disaster relief and the applicable disaster period are established, the computation proceeds through objective facts and ordinary arithmetic. Sections 6601, 6621, and 6622 continue to govern when interest begins, the applicable rate of interest, and the rules for daily compounding. Section 7508A simply identifies the days that are omitted from the calculation. *See* IRC §§ 6601(a), 6621, 6622, 7508A(a)(2), (d)(1).

By contrast, and among its other deficiencies, Respondent's construction creates an arbitrary and unexplained cliff effect. Assume that all other statutory requirements are satisfied, and that two businesses operate across the street from one another. Business A has a $100,000 tax liability due on January 19, 2020, one day before the statutory incident date. Business B has an otherwise identical $100,000 liability due on January 21, 2020. Beginning January 21, both businesses owe the same principal amount, are subject to the same statutory interest rate, and experience the same federally declared disaster during the same covered period. Yet under Respondent's proposed due-date rule, interest attributable to the disaster period would be excluded from Business B's computation but included in Business A's computation solely because their original due dates happened to fall on opposite sides of the statutory incident date. The resulting difference bears no relationship to the amount owed, the duration of the disaster, or the taxpayer's need for relief from the circumstances of the disaster. *Cf. United Sav. Ass'n of Tex. v. Timbers of Inwood Forest Assocs., Ltd.*, 484 U.S. 365, 371 (1988) (favoring the interpretation that "produces a substantive effect that is compatible with the rest of the law"). And most importantly, nothing in the statute establishes such a distinction.

B. Emergency tax-relief statutes have long removed extraordinary periods from ordinary tax consequences, including time-based interest consequences.

Congress's decision to exclude disaster-period days from interest calculations reflects a practical judgment about the realities confronting taxpayers during extraordinary events. The disregarded-period mechanism has deep roots in emergency relief legislation and Congress's longstanding effort to provide meaningful relief to taxpayers facing extraordinary disruptions that impede compliance with federal tax obligations.

Congress first adopted the disregarded-period approach for taxpayers serving in combat zones, a regime traceable to wartime relief measures enacted during World War II. Section 7508A later adapted the same structure to address federally declared disasters and terroristic or military actions. Congress's modern redesign of section 7508A occurred as part of the Victims of Terrorism Tax Relief Act of 2001, enacted in the aftermath of the September 11, 2001, terrorist attacks. *See* Pub. L. No. 107-134, 115 Stat. 2427 (2002). In each of these instances, Congress legislated against a backdrop of, and to provide relief from, severe disruption—war, terrorism, and disaster—not ordinary taxpayer noncompliance.

Those origins underscore an important point. The disregarded-period provisions are not ordinary timing rules designed for ordinary circumstances. They embody Congress's recognition that exceptional events may disrupt the ordinary conditions under which individuals and businesses bear federal tax obligations, justifying temporary relief from the normal tax consequences tied to the passage of time.

Viewed in its historical and statutory context, the interpretation the Chamber asks this Court to adopt does not expand disaster relief beyond Congress's chosen bounds. It gives effect to the relief Congress provided. Sections 7508A and 7508 reflect Congress's recurring judgment that, during periods of war, terrorism, or federally declared disaster, ordinary tax consequences tied to the passage of time should yield to a congressionally designated disregarded period. The common feature of these provisions is not merely deadline extension, but Congress's decision to treat specified periods as legally inoperative for identified tax administration purposes. Applying that principle to section 6601 interest for qualifying taxpayers honors the statutory design while preserving its limits. Taxpayers receive relief only for the specific days Congress directed to be disregarded, no more and no less.

CONCLUSION

For the foregoing reasons, the Court should hold that the COVID disaster period prescribed by section 7508A(d) must be disregarded in determining the amount of underpayment interest under section 7508A(a)(2), regardless of whether Petitioners' original payment due date fell inside or outside the disaster period.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that on the date indicated below, I hand-delivered the original and one copy of this *amicus curiae* brief to the Court. I further certify that the parties in this case have consented to service via electronic delivery and that they were served with this brief at the following email addresses on the date indicated below. Courtesy copies were also sent to counsel via FedEx Priority Overnight.

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APPENDIX

Comparison of Relevant Versions of IRC §§ 7508(a) and 7508A(a)

IRC § 7508(a) -- (1997)[i]	IRC § 7508A(a) -- (1997)[ii]	IRC § 7508A(a) -- (2002-2019)[iii]
(a) Time to be disregarded.--In the case of an individual serving in the Armed Forces of the United States, or serving in support of such Armed Forces, in an area designated by the President of the United States by Executive order as a "combat zone" for purposes of section 112, at any time during the period designated by the President by Executive order as the period of combatant activities in such zone for purposes of such section, ... shall be disregarded in determining, under the internal revenue laws, in respect of any tax liability **(including any interest, penalty, additional amount, or addition to the tax)** of such individual--	**(a) In general.--**In the case of a taxpayer determined by the Secretary to be affected by a Presidentially declared disaster (as defined by section 1033(h)(3)), the Secretary may prescribe regulations under which a period of up to 90 days may be disregarded in determining, under the internal revenue laws, in respect of any tax liability **(including any penalty, additional amount, or addition to the tax)** of such taxpayer– When enacted in 1997, § 7508A followed § 7508(a), except that "interest" was omitted.	**(a) In general.--**In the case of a taxpayer determined by the Secretary to be affected by a [Presidentially (in 2002)] / [federally (in 2019)] declared disaster (as defined by section [1033(h)(3) (in 2002)] / [165(i)(5)(A) (in 2019)]) or a terroristic or military action (as defined in section 692(c)(2)), the Secretary may specify a period of up to 1 year that may be disregarded in determining, under the internal revenue laws, in respect of any tax liability of such taxpayer– When § 7508A(a) was revised in 2002, the parenthetical was moved to new paragraph (a)(2), and "interest" was added to the relief.
(1) Whether any of the following acts was performed within the time prescribed therefor:	(1) whether any of the acts described in paragraph (1) of section 7508(a) were performed within the time prescribed therefor, and	(1) whether any of the acts described in paragraph (1) of section 7508(a) were performed within the time prescribed therefor (determined without regard to extension under any other provision of this subtitle for periods after the date (determined by the Secretary) of such disaster or action), (2) **the amount of any interest, penalty, additional amount, or addition to the tax for periods after such date**, and
(2) The amount of any credit or refund.	(2) the amount of any credit or refund.	(3) the amount of any credit or refund.

[i] IRC § 7508, as in effect prior to the enactment of IRC § 7508A.
[ii] IRC § 7508A, as enacted by the Taxpayer Relief Act of 1997, Pub. L. No. 105-34, § 911(a), 111 Stat. 788, 877 (1997).
[iii] IRC § 7508A, as amended by the Victims of Terrorism Tax Relief Act of 2001, Pub. L. No. 107-134, § 112(a), 115 Stat. 2427, 2433–34 (2002); IRC § 7508A, as amended by the Taxpayer Certainty and Disaster Tax Relief Act of 2019, Pub. L. No. 116-94, § 205(a), 133 Stat. 2534, 3245–46 (2019).