

**From:** News  
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**To:** Souder, Elizabeth  
**Subject:** Emergency Economic Stabilization Act Becomes Law



## News from [Husch Blackwell Sanders](#)

### **Emergency Economic Stabilization Act Becomes Law**

President Bush signed the Emergency Economic Stabilization Act early this afternoon after it was passed by the House of Representatives bringing an end to the frenetic week of debate and momentary concern after the House defeated the initial bill on Monday. The final legislation contains the same essential elements of the bill considered by the House with some modifications and additions.

A summary of the proposal that failed in the House appeared in the firm's September 30th communication, which can be accessed [here](#):

Below is a summary of the additions or changes made to that proposal in the final bill:

- **Temporary increase in coverage for deposits and share insurance accounts:** The new law increases the limits for insurance coverage on deposits other than retirement accounts from \$100,000 to \$250,000 through December 31, 2009. The FDIC and NCUA cannot consider the temporary increase when setting premiums.
- **Parity for mental health and substance abuse under insurance policies:** While not mandating that insurance carriers provide coverage for mental health conditions, the final legislation requires that companies who provide medical and surgical coverage as well as coverage for mental health and substance abuse, offer all coverage at parity.
- **Alternative Minimum Tax Relief:** Extends existing AMT relief that was set to expire for 2007 tax years to cover 2008 as well.
- **Individual Tax Relief:** Extends certain tax relief for individuals including deductions for state and local taxes for residents of states without an income tax, deductions for expenses available to education professionals and tax free distributions from IRAs for charitable purposes.
- **Tax Relief for Businesses:** Extends Research and Development tax credits as well as certain deductions for leasehold improvements.
- **Reauthorizes the 2000 Rural Schools and Community Self-Determination Program**
- **Extends tax relief to Midwestern severe storm victims:** Extends tax relief initially granted to Hurricane Ike and Katrina victims to those in areas

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impacted by tornados, storms and flooding as well as extending temporary tax-exempt bond financing and low-income tax relief for areas damaged by Hurricane Ike.

Additional information including full text of the final legislation is available on the firm website through the following link:

Click [Here](#)

The information on this site will be updated as additional information about and regulations resulting from this legislation becomes available.

Please contact your Husch Blackwell Sanders attorney or one of the firm's Business Services attorneys for additional information.

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