

105TH CONGRESS
2D SESSION

H. R. 3991

To amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by certain nongovernmental placement agencies, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 1998

Mr. BUNNING of Kentucky introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by certain nongovernmental placement agencies, and for other purposes.

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. EXCLUSION FOR FOSTER CARE PAYMENTS TO**
4 **APPLY TO PAYMENTS BY CERTAIN NON-**
5 **GOVERNMENTAL PLACEMENT AGENCIES.**

6 (a) IN GENERAL.—Subparagraph (A) of section
7 131(b)(1) of the Internal Revenue Code of 1986 (defining

1 qualified foster care payment) is amended to read as fol-
2 lows:

3 “(A) which is paid by—

4 “(i) a State or political subdivision
5 thereof, or

6 “(ii) a nongovernmental organization
7 which is licensed by, or contracts (directly
8 or indirectly) with, a State (or political
9 subdivision thereof) as a placement agency,
10 and”.

11 (b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE
12 INDIVIDUALS PLACED BY CERTAIN NONGOVERNMENTAL
13 PLACEMENT AGENCIES.—Subparagraph (B) of section
14 131(b)(2) of such Code is amended to read as follows:

15 “(B) a nongovernmental organization
16 which is licensed by, or contracts (directly or in-
17 directly) with, a State (or political subdivision
18 thereof) as a placement agency.”

19 (c) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to taxable years beginning after
21 December 31, 1998.

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