

105TH CONGRESS  
2D SESSION

# H. R. 4476

To amend the Internal Revenue Code of 1986 to extend the charitable deduction for the donation of computer technology and equipment to elementary and secondary schools, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

AUGUST 6, 1998

Ms. LOFGREN (for herself, Mr. FROST, and Mr. UNDERWOOD) 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 extend the charitable deduction for the donation of computer technology and equipment to elementary and secondary schools, 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. SHORT TITLE.**

4       This Act may be cited as the “Computers for the  
5       Children Act”.

1 **SEC. 2. CONTRIBUTIONS OF COMPUTER TECHNOLOGY AND**  
2 **EQUIPMENT FOR ELEMENTARY OR SECOND-**  
3 **ARY SCHOOL PURPOSES.**

4 (a) **PERMANENT EXTENSION.**—Section 170(e)(6) of  
5 the Internal Revenue Code of 1986 is amended by striking  
6 subparagraph (F).

7 (b) **DONEE DEFINED.**—Subparagraph (E) of section  
8 170(e)(6) of such Code is amended by adding at the end  
9 the following new clause:

10 “(iii) **DONEE.**—The term ‘donee’  
11 means, with respect to a qualified edu-  
12 cational contribution, an organization or  
13 entity described in subclause (I) or (II) of  
14 subparagraph (B)(i).”.

15 (c) **PAYMENT OF SHIPPING, TRANSFER, AND INSTAL-**  
16 **LATION COSTS.**—Subparagraph (B) of section 170(e)(6)  
17 of such Code (as amended by subsection (b) of this sec-  
18 tion) is further amended by redesignating clauses (vi) and  
19 (vii) as clauses (vii) and (viii), respectively, and by striking  
20 clause (v) and inserting the following:

21 “(v) the property is not transferred by  
22 the donee in exchange for money, other  
23 property, or services,

24 “(vi) no payment is made by the  
25 donee to the donor for such property other  
26 than for the shipping, transfer, and instal-

1                   lation costs with respect to such prop-  
2                   erty,”.

3           (d) REFURBISHED EQUIPMENT.—Subparagraph (E)  
4 of section 170(e)(6) of such Code (as amended by sub-  
5 section (b) of this section) is further amended by adding  
6 at the end the following new clause:

7                   “(iv) REFURBISHED EQUIPMENT.—In  
8                   the case of property refurbished by the  
9                   taxpayer—

10                           “(I) such property shall be treat-  
11                           ed as property newly constructed by  
12                           the taxpayer, and

13                           “(II) the date such refurbishment  
14                           is substantially completed shall be  
15                           treated as the date of construction of  
16                           such property.”.

17           (e) ELIGIBILITY OF COMMUNITY COLLEGES AS  
18 DONEES.—

19                   (1) IN GENERAL.—Clause (iv) of section  
20                   170(e)(6)(B) of such Code is amended by inserting  
21                   “or in a community college” after “grades K–12”.

22                   (2) DEFINITION.—Subparagraph (E) of section  
23                   170(e)(6) (as amended by subsections (b) and (d) of  
24                   this section) is further amended by adding at the  
25                   end the following new clause:

1                   “(v) COMMUNITY COLLEGE.—The  
2                   term ‘community college’ means a public  
3                   institution that provides a 2-year edu-  
4                   cational program which is acceptable for  
5                   full credit toward a bachelor’s degree.”.

6                   (3) CONFORMING AMENDMENTS.—

7                   (A) The heading for paragraph (6) of sec-  
8                   tion 170(e) of such Code is amended by striking  
9                   “ELEMENTARY OR SECONDARY SCHOOL” and  
10                  inserting “CERTAIN EDUCATIONAL”.

11                  (B) Subparagraphs (A), (B), and (C) of  
12                  section 170(e)(6) of such Code are each amend-  
13                  ed by striking “qualified elementary or second-  
14                  ary educational contribution” each place it ap-  
15                  pears in the text and the heading in subpara-  
16                  graph (B) and inserting “qualified educational  
17                  contribution”.

18                  (f) REPEAL OF RULE RELATING TO CONSTRUC-  
19                  TION.—Paragraph (6) of section 170(e) of such Code (as  
20                  amended by subsections (a) through (e) of this section)  
21                  is further amended by striking subparagraph (D) and re-  
22                  designating subparagraph (E) as subparagraph (D).

1       (g) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply as if included in the amendment  
3 made by section 224 of the Taxpayer Relief Act of 1997.

○