

106TH CONGRESS
2^D SESSION

H. R. 4433

To amend the Internal Revenue Code of 1986 to waive the income inclusion on a distribution from an individual retirement account or a section 401(k) plan to the extent that the distribution is contributed to a charity.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2000

Mr. FRANKS of New Jersey 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 waive the income inclusion on a distribution from an individual retirement account or a section 401(k) plan to the extent that the distribution is contributed to a charity.

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 “Charitable Contribu-
5 tion Tax Relief Act of 2000”.

1 **SEC. 2. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RE-**
2 **TIREMENT ACCOUNTS AND SECTION 401(k)**
3 **PLANS TO CHARITIES.**

4 (a) INDIVIDUAL RETIREMENT ACCOUNTS.—Sub-
5 section (d) of section 408 of the Internal Revenue Code
6 of 1986 (relating to individual retirement accounts) is
7 amended by adding at the end the following new para-
8 graph:

9 “(8) DISTRIBUTIONS TO CHARITIES.—

10 “(A) IN GENERAL.—No amount shall be
11 includible in gross income by reason of a dis-
12 tribution from an individual retirement account
13 directly to an organization described in section
14 170(c).

15 “(B) DENIAL OF DEDUCTION.—The
16 amount allowable as a deduction under section
17 170 to the taxpayer for the taxable year shall
18 be reduced (but not below zero) by the sum of
19 the amounts of the distributions during such
20 year which would be includible in the gross in-
21 come of the taxpayer for such year but for this
22 paragraph.”

23 (b) SECTION 401(k) PLANS.—Subsection (k) of sec-
24 tion 401 of such Code is amended by adding at the end
25 the following new paragraph:

26 “(13) DISTRIBUTIONS TO CHARITIES.—

1 “(A) IN GENERAL.—A qualified cash or
2 deferred arrangement shall not fail to be treat-
3 ed as such by reason of permitting distributions
4 directly to an organization described in section
5 170(c), and no amount shall be includible in
6 gross income by reason of such a distribution.

7 “(B) DENIAL OF DEDUCTION.—The
8 amount allowable as a deduction under section
9 170 to the taxpayer for the taxable year shall
10 be reduced (but not below zero) by the sum of
11 the amounts of the distributions during such
12 year which would be includible in the gross in-
13 come of the taxpayer for such year but for this
14 paragraph.”

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to taxable years beginning after
17 the date of the enactment of this Act.

○