

107TH CONGRESS
2^D SESSION

H. R. 4555

To amend the Internal Revenue Code of 1986 to exclude from gross income amounts paid by the Department of Defense toward the repayment of certain student loans owed by members of the uniformed services.

IN THE HOUSE OF REPRESENTATIVES

APRIL 23, 2002

Mr. GARY G. MILLER of California 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 exclude from gross income amounts paid by the Department of Defense toward the repayment of certain student loans owed by members of the uniformed services.

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 “Tax Exemption for
5 Military Student Loan Repayments Act”.

1 **SEC. 2. EXCLUSION FROM GROSS INCOME OF STUDENT**
2 **LOAN REPAYMENTS FOR MEMBERS OF UNI-**
3 **FORMED SERVICES.**

4 (a) **IN GENERAL.**—Section 134(b) of the Internal
5 Revenue Code of 1986 (relating to qualified military bene-
6 fits) is amended by redesignating paragraphs (2) and (3)
7 as paragraphs (3) and (4), respectively, and inserting
8 after paragraph (1) the following new paragraph:

9 “(2) **STUDENT LOAN REPAYMENTS.**—The term
10 ‘qualified military benefit’ includes any amount
11 which would (but for this subsection) be includible in
12 gross income of a member of the uniformed services
13 by reason of the discharge (in whole or in part) of
14 any loan if such discharge was pursuant to an edu-
15 cation loan repayment program under chapter 109
16 or 1609 of title 10, United States Code.”

17 (b) **CONFORMING AMENDMENT.**—Paragraph (3) of
18 section 134(b) of such Code, as redesignated by subsection
19 (a), is amended in subparagraph (A) by inserting “or (2)”
20 after “paragraph (1)”.

21 (c) **EFFECTIVE DATE.**—The amendments made by
22 this Act shall apply to taxable years beginning after De-
23 cember 31, 2002.

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