

109TH CONGRESS
1ST SESSION

H. R. 1765

To amend the Internal Revenue Code of 1986 to exclude from gross income amounts paid on behalf of Federal employees under Federal student loan repayment programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2005

Mr. TOM DAVIS of Virginia (for himself, Mr. PORTER, Mr. HOYER, Mr. LEWIS of Kentucky, Mr. MCHUGH, Mr. WOLF, Mr. ALEXANDER, Mr. PUTNAM, Mr. RUPPERSBERGER, Mrs. JO ANN DAVIS of Virginia, Mr. SANDERS, Mr. PAYNE, Mr. VAN HOLLEN, Mr. ALLEN, Mr. CUMMINGS, Mr. FARR, Mr. PALLONE, Mr. MORAN of Virginia, Mr. OWENS, Mr. TIERNEY, Mr. WAXMAN, Mr. WEXLER, Mr. WYNN, Mr. DAVIS of Illinois, Mr. FRANK of Massachusetts, Mr. GRIJALVA, Ms. NORTON, Mr. RUSH, Mr. WEINER, Mr. CONYERS, Mrs. MALONEY, Ms. WATSON, Mr. MCDERMOTT, and Mr. BROWN of Ohio) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to exclude from gross income amounts paid on behalf of Federal employees under Federal student loan repayment programs, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Generating Oppor-
3 tunity by Forgiving Educational Debt for Service Act of
4 2005”.

5 **SEC. 2. EXCLUSION FOR STUDENT LOAN REPAYMENTS BY**
6 **THE FEDERAL GOVERNMENT.**

7 (a) EXCLUSION FROM GROSS INCOME.—Section
8 108(f) of the Internal Revenue Code of 1986 (relating to
9 student loans) is amended by adding at the end the fol-
10 lowing:

11 “(5) STUDENT LOAN REPAYMENTS BY FED-
12 ERAL GOVERNMENT.—In the case of an individual,
13 gross income does not include any payments made
14 by the Federal Government on behalf of such indi-
15 vidual under—

16 “(A) section 5379 of title 5, United States
17 Code, or

18 “(B) any other similar Federal program
19 for its employees.”

20 (b) EXCLUSION FROM WAGES.—

21 (1) IN GENERAL.—Section 3121(a) of such
22 Code (defining wages) is amended by striking “or”
23 at the end of paragraph (21), by striking the period
24 at the end of paragraph (22) and inserting “; or”,
25 and by adding at the end the following:

1 “(23) any payment excluded from gross income
2 under section 108(f)(4) (relating to student loan re-
3 payments by Federal Government).”.

4 (2) SOCIAL SECURITY ACT.—Section 209(a) of
5 the Social Security Act (42 U.S.C. 409(a)) is
6 amended by striking “or” at the end of paragraph
7 (18), by striking the period at the end of paragraph
8 (19) and inserting “; or”, and by adding at the end
9 the following:

10 “(20) Any payment excluded from gross income
11 under section 108(f)(4) of the Internal Revenue
12 Code of 1986 (relating to student loan repayments
13 by Federal Government).”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to payments made in taxable years
16 beginning after December 31, 2004.

17 **SEC. 3. REPORTING REQUIREMENT.**

18 (a) IN GENERAL.—Section 5379(h)(2) of title 5,
19 United States Code, is amended by inserting “and the
20 agencies that have not” after “the agencies that have”.

21 (b) EFFECTIVE DATE.—The amendment made by
22 this section shall apply to reports submitted after the end
23 of the 3-month period beginning on the date of enactment
24 of this Act.