

112TH CONGRESS
1ST SESSION

H. R. 2385

To amend the Internal Revenue Code of 1986 to allow seniors a one-time, tax-free retirement plan distribution to pay for essential repairs to a principal residence, for medical expenses, or for expenses attributable to a Federally declared disaster.

IN THE HOUSE OF REPRESENTATIVES

JUNE 24, 2011

Mr. JONES 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 allow seniors a one-time, tax-free retirement plan distribution to pay for essential repairs to a principal residence, for medical expenses, or for expenses attributable to a Federally declared disaster.

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 “The Seniors Emer-
5 gency Hardship Relief Act of 2011”.

1 **SEC. 2. ONE-TIME TAX-FREE DISTRIBUTION FROM RETIRE-**
2 **MENT ACCOUNT FOR SENIORS FOR PRIN-**
3 **CIPAL RESIDENCE EXPENSES, MEDICAL EX-**
4 **PENSES, OR FEDERALLY DECLARED DIS-**
5 **ASTER EXPENSES.**

6 (a) IN GENERAL.—Part III of subchapter B of chap-
7 ter 1 of the Internal Revenue Code is amended by insert-
8 ing before section 140 the following new section:

9 **“SEC. 139F. ONE-TIME SENIOR DISTRIBUTION.**

10 “(a) IN GENERAL.—Gross income shall not include
11 a qualified senior distribution.

12 “(b) QUALIFIED SENIOR DISTRIBUTION.—For pur-
13 poses of this section—

14 “(1) IN GENERAL.—The term ‘qualified senior
15 distribution’ means any distribution to an individual
16 from an eligible retirement plan (as defined in sec-
17 tion 402(c)(8)(B)) of the individual, if—

18 “(A) such individual has attained the age
19 of 65 at the time of the distribution,

20 “(B) such individual elects the application
21 of this section for the taxable year, and

22 “(C) such distribution does not exceed the
23 lesser of—

24 “(i) \$10,000, or

25 “(ii) an amount equal to the sum of—

1 “(I) the amount of expenses paid
2 by the individual during the taxable
3 year for qualified repairs to the prin-
4 cipal residence (within the meaning of
5 section 121) of the individual,

6 “(II) the amount of expenses
7 paid during the taxable year by the
8 individual, not compensated for by in-
9 surance or otherwise, for medical care
10 (as defined in section 213(d)) of the
11 individual (and, if married and the
12 spouse of the individual has attained
13 the age of 65 at the time of the dis-
14 tribution, the spouse), plus

15 “(III) the amount of expenses
16 paid during the taxable year by an in-
17 dividual, not compensated for by in-
18 surance or otherwise, as a result of
19 being a victim of a Federally declared
20 disaster (as defined by section
21 165(h)(3)(C)(i)), but only if such indi-
22 vidual’s principal place of abode is lo-
23 cated within the area with respect to
24 which such disaster has been declared.

1 “(2) QUALIFIED REPAIRS.—The term ‘qualified
2 repairs’ means any repairs necessary to preserve the
3 habitability of a residence, including roof repair or
4 replacement, major plumbing or electrical work,
5 foundation repair, and structural rehabilitation.

6 “(c) ELECTION ALLOWED ONLY FOR 1 TAXABLE
7 YEAR.—An election may not be made under this section
8 for any taxable year if such an election is in effect with
9 respect to the taxpayer for any prior taxable year.”.

10 (b) CLERICAL AMENDMENT.—The table of sections
11 for part III of subchapter B of chapter 1 of such Code
12 is amended by inserting before the item relating to section
13 140 the following new section:

 “Sec. 139F. Qualified capital distributions.”.

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

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