

114TH CONGRESS
1ST SESSION

H. R. 3086

To amend the Internal Revenue Code of 1986 to provide tax benefits to individuals who have been wrongfully incarcerated.

IN THE HOUSE OF REPRESENTATIVES

JULY 16, 2015

Mr. SAM JOHNSON of Texas (for himself and Mr. LARSON of Connecticut) 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 provide tax benefits to individuals who have been wrongfully incarcerated.

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 “Wrongful Convictions
5 Tax Relief Act of 2015”.

1 **SEC. 2. EXCLUSION FOR WRONGFULLY INCARCERATED IN-**
 2 **DIVIDUALS.**

3 (a) IN GENERAL.—Part III of subchapter B of chap-
 4 ter 1 of the Internal Revenue Code of 1986 is amended
 5 by inserting before section 140 the following new section:

6 **“SEC. 139F. CERTAIN AMOUNTS RECEIVED BY WRONG-**
 7 **FULLY INCARCERATED INDIVIDUALS.**

8 “(a) EXCLUSION FROM GROSS INCOME.—In the case
 9 of any wrongfully incarcerated individual, gross income
 10 shall not include any civil damages, restitution, or other
 11 monetary award (including compensatory or statutory
 12 damages and restitution imposed in a criminal matter) re-
 13 lating to the incarceration of such individual for the cov-
 14 ered offense for which such individual was convicted.

15 “(b) WRONGFULLY INCARCERATED INDIVIDUAL.—
 16 For purposes of this section, the term ‘wrongfully incar-
 17 cerated individual’ means an individual—

18 “(1) who was convicted of a covered offense,

19 “(2) who served all or part of a sentence of im-
 20 prisonment relating to that covered offense, and

21 “(3)(A) who was pardoned, granted clemency,
 22 or granted amnesty for that covered offense because
 23 that individual was innocent of that covered offense,
 24 or

25 “(B)(i) for whom the judgment of conviction for
 26 that covered offense was reversed or vacated, and

1 “(ii) for whom the indictment, information, or
2 other accusatory instrument for that covered offense
3 was dismissed or who was found not guilty at a new
4 trial after the judgment of conviction for that cov-
5 ered offense was reversed or vacated.

6 “(c) COVERED OFFENSE.—For purposes of this sec-
7 tion, the term ‘covered offense’ means any criminal offense
8 under Federal or State law, and includes any criminal of-
9 fense arising from the same course of conduct as that
10 criminal offense.”.

11 (b) CONFORMING AMENDMENT.—The table of sec-
12 tions for part III of subchapter B of chapter 1 of such
13 Code is amended by inserting after the item relating to
14 section 139E the following new item:

 “Sec. 139F. Certain amounts received by wrongfully incarcerated individuals.”.

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

18 (d) WAIVER OF LIMITATIONS.—If the credit or re-
19 fund of any overpayment of tax resulting from the applica-
20 tion of this Act to a period before the date of enactment
21 of this Act is prevented as of such date by the operation
22 of any law or rule of law (including res judicata), such
23 credit or refund may nevertheless be allowed or made if

- 1 the claim therefor is filed before the close of the 1-year
- 2 period beginning on the date of the enactment of this Act.

