

116TH CONGRESS  
1ST SESSION

# S. 2871

To amend the Internal Revenue Code of 1986 to exclude from gross income payments under the Indian Health Service Loan Repayment Program and certain amounts received under the Indian Health Professions Scholarships Program.

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 14, 2019

Mr. UDALL (for himself and Ms. MURKOWSKI) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to exclude from gross income payments under the Indian Health Service Loan Repayment Program and certain amounts received under the Indian Health Professions Scholarships Program.

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 “Indian Health Service  
5 Health Professions Tax Fairness Act of 2019”.

1 **SEC. 2. EXCLUSION FROM GROSS INCOME FOR PAYMENTS**  
 2 **UNDER INDIAN HEALTH SERVICE LOAN RE-**  
 3 **PAYMENT PROGRAM.**

4 (a) IN GENERAL.—Paragraph (4) of section 108(f)  
 5 of the Internal Revenue Code of 1986 is amended by in-  
 6 serting “under section 108 of the Indian Health Care Im-  
 7 provement Act,” after “338I of such Act,”.

8 (b) CLERICAL AMENDMENT.—The heading for sec-  
 9 tion 108(f)(4) of such Code is amended by striking “AND  
 10 CERTAIN” and inserting “, INDIAN HEALTH SERVICE LOAN  
 11 REPAYMENT PROGRAM, AND CERTAIN”.

12 (c) EFFECTIVE DATE.—The amendments made by  
 13 this section shall apply to payments made after the date  
 14 of the enactment of this Act.

15 **SEC. 3. EXCLUSION OF CERTAIN AMOUNTS RECEIVED**  
 16 **UNDER INDIAN HEALTH PROFESSIONS**  
 17 **SCHOLARSHIPS PROGRAM.**

18 (a) IN GENERAL.—Paragraph (2) of section 117(c)  
 19 of the Internal Revenue Code of 1986 is amended by strik-  
 20 ing “or” at the end of subparagraph (B), by striking the  
 21 period at the end of subparagraph (C) and inserting “,  
 22 or”, and by adding at the end the following new subpara-  
 23 graph:

24 “(D) the Indian Health Professions Schol-  
 25 arships Program under section 104 of the In-  
 26 dian Health Care Improvement Act.”.

1           (b) **EFFECTIVE DATE.**—The amendment made by  
2 subsection (a) shall apply to amounts received in taxable  
3 years beginning after December 31, 2019.

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