

104TH CONGRESS  
1ST SESSION

# S. 297

To amend the Internal Revenue Code of 1986 to clarify the exclusion from gross income for veterans' benefits.

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IN THE SENATE OF THE UNITED STATES

JANUARY 30, 1995

Mr. ROCKEFELLER (for himself, Mr. DASCHLE, Mr. GRAHAM, Mr. AKAKA, Mr. CAMPBELL, Mr. JEFFORDS, Mr. LEAHY, and Mr. BINGMAN) 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 clarify the exclusion from gross income for veterans' benefits.

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 "Veterans' Tax Fairness  
5 Act of 1995".

1 **SEC. 2. CLARIFICATION OF TREATMENT OF VETERANS'**  
2 **BENEFITS.**

3 (a) **IN GENERAL.**—Subsection (a) of section 134 of  
4 the Internal Revenue Code of 1986 (relating to certain  
5 military benefits) is amended to read as follows:

6 “(a) **GENERAL RULE.**—Gross income shall not in-  
7 clude—

8 “(1) any qualified military benefit, and

9 “(2) any allowance or benefit administered by  
10 the Secretary of Veterans Affairs which is received  
11 by a veteran (as defined in section 101 of title 38,  
12 United States Code) or a dependent or survivor of  
13 a veteran.”

14 (b) **TECHNICAL AMENDMENT.**—Paragraph (3) of  
15 section 137(a) of such Code is amended to read as follows:

16 “(3) Benefits under laws administered by the  
17 Secretary of Veterans Affairs, see section 5301 of  
18 title 38, United States Code.”

19 (c) **EFFECTIVE DATE.**—The amendment made by  
20 subsection (a) shall apply to taxable years beginning after  
21 December 31, 1984.

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