

106TH CONGRESS
2D SESSION

H. R. 4245

To amend the Internal Revenue Code of 1986 to exclude from gross income payments made under Federal Government programs for the repayment of student loans of members of the Armed Forces of the United States and the National Health Service Corps.

IN THE HOUSE OF REPRESENTATIVES

APRIL 12, 2000

Mr. PITTS (for himself, Mr. OSE, and Mrs. CHENOWETH-HAGE) 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 exclude from gross income payments made under Federal Government programs for the repayment of student loans of members of the Armed Forces of the United States and the National Health Service Corps.

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 “Armed Services Edu-
5 cational Relief Act”.

1 **SEC. 2. EXCLUSION FROM GROSS INCOME FOR DEPART-**
 2 **MENT OF DEFENSE PAYMENTS ON STUDENT**
 3 **LOANS OF MEMBERS OF THE ARMED FORCES**
 4 **AND THE NATIONAL HEALTH SERVICE**
 5 **CORPS.**

6 (a) IN GENERAL.—Part III of subchapter B of chap-
 7 ter 1 of the Internal Revenue Code of 1986 (relating to
 8 items specifically excluded from gross income) is amended
 9 by redesignating section 139 as section 139A and by in-
 10 serting after section 138 the following new section:

11 **“SEC. 139. CERTAIN PAYMENTS ON STUDENT LOANS OF**
 12 **MEMBERS OF ARMED FORCES.**

13 “Gross income shall not include any education loan
 14 repayment made by the Federal Government on behalf of
 15 a member of the Armed Forces of the United States.

16 (b) CLERICAL AMENDMENT.—The table of sections
 17 for such part III is amended by striking the last item and
 18 inserting the following new items:

“Sec. 139. Certain payments on student loans of members of
 Armed Forces.

“Sec. 139A. Cross references to other Acts.”.

19 (c) EFFECTIVE DATE.—The amendments made by
 20 this section shall apply to payments in taxable years end-
 21 ing after the date of the enactment of this Act.