

106TH CONGRESS  
2D SESSION

# H. R. 4434

To amend the Internal Revenue Code of 1986 to provide that ancestors and lineal descendants of past or present members of the Armed Forces shall be taken into account in determining whether a veterans' organization is exempt from tax.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2000

Mr. HOUGHTON (for himself, Mr. RANGEL, and Mr. SWEENEY) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide that ancestors and lineal descendants of past or present members of the Armed Forces shall be taken into account in determining whether a veterans' organization is exempt from tax.

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. MODIFICATION OF MEMBERSHIP REQUIRE-**  
4 **MENT FOR EXEMPTION FROM TAX FOR VET-**  
5 **ERANS' ORGANIZATIONS.**

6 (a) IN GENERAL.—Subparagraph (B) of section  
7 501(c)(19) of the Internal Revenue Code of 1986 (relating

1 to list of exempt organizations) is amended by striking “or  
2 widowers” and inserting “, widowers, or ancestors or lineal  
3 descendants”.

4 (b) MODIFICATION NOT TO APPLY IN DETERMINING  
5 UNRELATED BUSINESS TAXABLE INCOME.—Paragraph  
6 (4) of section 512(a) of such Code is amended by striking  
7 “members of such organization or their dependents” and  
8 inserting “members of such organization who are past or  
9 present members of the Armed Forces of the United  
10 States or who are dependents of such past or present  
11 members”.

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

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