

110TH CONGRESS
1ST SESSION

H. R. 4303

To amend the Internal Revenue Code of 1986 to exclude from gross income rewards received for information provided with respect to violations of Federal criminal law.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 6, 2007

Mr. CHABOT 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 rewards received for information provided with respect to violations of Federal criminal law.

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. EXCLUSION FROM INCOME FOR REWARDS FOR**
4 **INFORMATION WITH RESPECT TO VIOLA-**
5 **TIONS OF FEDERAL CRIMINAL LAW.**

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 inserting after section 139A the following new section:

1 **“SEC. 139B. REWARDS FOR INFORMATION RELATING TO**
2 **VIOLATIONS OF FEDERAL CRIMINAL LAW.**

3 “(a) IN GENERAL.—In the case of an individual,
4 gross income shall not include any qualified reward pay-
5 ment.

6 “(b) QUALIFIED REWARD PAYMENT.—For purposes
7 of this section, the term ‘qualified reward payment’ means
8 any payment received from a State or Federal law enforce-
9 ment agency for the provision of information relating to
10 the violation of a Federal criminal law.”.

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

“Sec. 139B. Rewards for information relating to violations of Federal criminal
law.”.

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to amounts received in taxable
17 years beginning after December 31, 2007.

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