

110TH CONGRESS
2D SESSION

H. R. 5930

To amend the Internal Revenue Code of 1986 to allow charitable organizations to collect and disperse deductible contributions for certain individuals who are injured or killed in an effort to protect life or property.

IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 2008

Mrs. BONO MACK (for herself and Mr. THOMPSON of California) 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 allow charitable organizations to collect and disperse deductible contributions for certain individuals who are injured or killed in an effort to protect life or property.

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 “Charitable Aid to Com-
5 munity Heroes Act of 2008”.

1 **SEC. 2. CHARITABLE ORGANIZATIONS PERMITTED TO COL-**
2 **LECT AND DISPERSE DEDUCTIBLE CON-**
3 **TRIBUTIONS FOR CERTAIN INDIVIDUALS**
4 **WHO ARE INJURED OR KILLED IN AN EFFORT**
5 **TO PROTECT LIFE OR PROPERTY.**

6 (a) IN GENERAL.—Section 170 of the Internal Rev-
7 enue Code of 1986 (relating to charitable, etc., contribu-
8 tions and gifts) is amended by redesignating subsection
9 (p) as subsection (q) and by inserting after subsection (o)
10 the following new subsection:

11 “(p) CHARITABLE ORGANIZATIONS PERMITTED TO
12 COLLECT AND DISPERSE DEDUCTIBLE CONTRIBUTIONS
13 FOR CERTAIN INDIVIDUALS WHO ARE INJURED OR
14 KILLED IN AN EFFORT TO PROTECT LIFE OR PROP-
15 erty.—For purposes of this title—

16 “(1) IN GENERAL.—Payments made by an or-
17 ganization described in paragraph (1) or (2) of sec-
18 tion 509(a) to an eligible individual or to a member
19 of such individual’s family shall be treated as related
20 to the purpose or function constituting the basis for
21 such organization’s exemption under section 501 if
22 the requirements of paragraphs (3), (4), and (5) are
23 met.

24 “(2) ELIGIBLE INDIVIDUAL.—For purposes of
25 this subsection, the term ‘eligible individual’ means
26 any individual who is injured or killed in an effort

1 to protect life or property if such individual is in-
2 jured or killed while on duty as—

3 “(A) any Federal, State, or local govern-
4 ment employee, or

5 “(B) a member of a qualified volunteer
6 emergency response organization (as defined in
7 section 139B(c)(3)).

8 “(3) FUNDRAISING REQUIREMENTS.—The re-
9 quirements of this paragraph are met if—

10 “(A) the organization referred to in para-
11 graph (1) does not engage in any effort to so-
12 licit contributions for distribution under this
13 subsection,

14 “(B) such organization accepts contribu-
15 tions with respect to any death or injury only
16 during the 1-year period beginning on the last
17 day of the event which resulted in such death
18 or injury,

19 “(C) at least 50 donors contribute to such
20 organization with respect to such event, and

21 “(D) more than 95 percent of the funds
22 are contributed by persons who are unrelated to
23 any individual who is entitled to any distribu-
24 tion from such contributions.

1 “(4) ADMINISTRATIVE REQUIREMENTS.—The
2 requirements of this paragraph are met if the entire
3 amount contributed (and any earnings thereon) is
4 distributed to eligible individuals or members of
5 their families.

6 “(5) DISTRIBUTION REQUIREMENTS.—

7 “(A) IN GENERAL.—The requirements of
8 this paragraph are met with respect to an event
9 if—

10 “(i) all distributions are made within
11 180 days after the close of the 1-year pe-
12 riod referred to in paragraph (3)(B), and

13 “(ii) of the aggregate amount to be
14 distributed—

15 “(I) half is distributed in equal
16 amounts to each eligible individual
17 with respect to such event, and

18 “(II) half is distributed in ac-
19 cordance with subparagraph (B).

20 “(B) FAMILY SHARES.—The amount re-
21 quired to be distributed under this subpara-
22 graph shall be distributed as follows (with
23 shares being equal amounts):

24 “(i) Each eligible individual shall re-
25 ceive 1 share.

1 “(ii) Each spouse of an eligible indi-
2 vidual shall receive 1 share.

3 “(iii) Each qualifying child of an eligi-
4 ble individual or an eligible individual’s
5 spouse shall receive $\frac{1}{2}$ share.

6 “(6) MEMBER OF FAMILY.—For purposes of
7 this subsection—

8 “(A) IN GENERAL.—The members of the
9 family of an eligible individual are the spouse
10 and qualifying children of such individual.

11 “(B) DATE OF DETERMINATION.—The de-
12 termination of whether an individual is a spouse
13 or qualifying child of an eligible individual shall
14 be made as of the date of the death or injury
15 of such individual, whichever is earlier.

16 “(C) QUALIFYING CHILD.—The term
17 ‘qualifying child’ means, with respect to an eli-
18 gible individual, any individual—

19 “(i) who bears a relationship to the el-
20 igible individual or the eligible individual’s
21 spouse which is described in section
22 152(c)(2),

23 “(ii) who meets the age requirements
24 of section 152(c)(3), and

1 “(iii) over half of whose support is
2 provided by the eligible individual.

3 “(7) DECEASED ELIGIBLE INDIVIDUALS.—In
4 the case of an eligible individual who died as a result
5 of the event to which this subsection applies, ref-
6 erences to such individual shall be treated as ref-
7 erences to the estate of such individual.

8 “(8) ORGANIZATIONS RECEIVING CONTRIBU-
9 TIONS WITH RESPECT TO MORE THAN 1 EVENT.—If
10 any organization receives contributions with respect
11 to more than 1 event, the provisions of this sub-
12 section shall be applied separately with respect to
13 each event.”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 this section shall apply to contributions received by organi-
16 zations after the date of the enactment of this Act.

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