

110TH CONGRESS
1ST SESSION

H. R. 3607

To amend the Internal Revenue Code of 1986 to expand the Hope Scholarship Credit by increasing the maximum credit, by allowing the credit for 4 years of postsecondary education, and by allowing the credit for room, board, and certain other expenses.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 20, 2007

Mr. BARROW 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 expand the Hope Scholarship Credit by increasing the maximum credit, by allowing the credit for 4 years of postsecondary education, and by allowing the credit for room, board, and certain other expenses.

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. EXPANSION OF HOPE SCHOLARSHIP CREDIT.**

4 (a) INCREASE IN MAXIMUM PER STUDENT CRED-
5 IT.—

6 (1) IN GENERAL.—Paragraph (1) of section
7 25A(b) of the Internal Revenue Code of 1986 (relat-

1 ing to Hope Scholarship Credit) is amended by
2 striking “\$1,000” each place it appears and insert-
3 ing “\$2,000”.

4 (2) CONFORMING AMENDMENTS.—Section
5 25A(h)(1)(A) of such Code (relating to inflation ad-
6 justments) is amended—

7 (A) by striking “2001” and inserting
8 “2008”,

9 (B) by striking “\$1,000” and inserting
10 “\$2,000”, and

11 (C) by striking “2000” and inserting
12 “2007”.

13 (b) CREDIT FOR 4 YEARS OF POSTSECONDARY EDU-
14 CATION.—

15 (1) Subparagraph (A) of section 25A(b)(2) of
16 such Code is amended—

17 (A) by striking “2 TAXABLE YEARS” in the
18 heading and inserting “4 TAXABLE YEARS”, and

19 (B) by striking “2 prior taxable years” and
20 inserting “4 prior taxable years”.

21 (2) Subparagraph (C) of section 25A(b)(2) of
22 such Code is amended—

23 (A) by striking “2 YEARS” in the heading
24 and inserting “4 YEARS”, and

1 (B) by striking “2 years” in the text and
2 inserting “4 years”.

3 (c) CREDITABLE EXPENSES INCLUDE EXPENSES
4 FOR ROOM, BOARD, AND CERTAIN OTHER ITEMS.—Para-
5 graph (1) of section 25A(f) of such Code is amended by
6 adding at the end the following new subparagraph:

7 “(D) ADDITIONAL EXPENSES ALLOWED
8 FOR HOPE SCHOLARSHIP CREDIT.—For pur-
9 poses of the Hope Scholarship Credit—

10 “(i) IN GENERAL.—Such term shall
11 include—

12 “(I) except as provided in sub-
13 paragraph (B), books, supplies, and
14 equipment required for courses of in-
15 struction at the eligible educational
16 institution, and

17 “(II) the reasonable cost for
18 room and board while attending such
19 institution.

20 “(ii) LIMITATION ON ROOM AND
21 BOARD.—The amount treated under clause
22 (i) as qualified tuition and related expenses
23 with respect to room and board shall not
24 exceed the limitation under section
25 529(e)(3)(B)(ii).”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2007.

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