107TH CONGRESS
1ST SESSION
H. R. 152

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.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2001

Mr. PITTS (for himself, Mr. MCGOVERN, Mr. CONYERS, Mr. BARTLETT of
Maryland, and Mr. HANSEN) introduced the following bill; which was re-
ferred 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 Gov-
ernment programs for the repayment of student loans
of members of the Armed Forces of the United States.

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".

SEC. 2. EXCLUSION FROM GROSS INCOME FOR DEPART-MENT OF DEFENSE PAYMENTS ON STUDENT LOANS OF MEMBERS OF THE ARMED FORCES.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 139 as section 139A and by inserting after section 138 the following new section:

"SEC. 139. CERTAIN PAYMENTS ON STUDENT LOANS OF MEMBERS OF ARMED FORCES.

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

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

"Sec. 139. Certain payments on student loans of members of Armed Forces.
"Sec. 139A. Cross references to other Acts.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments in taxable years ending after the date of the enactment of this Act.

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