

107TH CONGRESS
1ST SESSION

H. R. 928

To amend the Internal Revenue Code of 1986 to increase the income limitation applicable to heads of household for purposes of the Hope and Lifetime Learning credits and the interest deduction on education loans.

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 2001

Ms. RIVERS 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 increase the income limitation applicable to heads of household for purposes of the Hope and Lifetime Learning credits and the interest deduction on education loans.

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. INCREASE IN INCOME LIMITATION APPLICA-**
4 **BLE TO HEADS OF HOUSEHOLD FOR PUR-**
5 **POSES OF THE HOPE AND LIFETIME LEARN-**
6 **ING CREDITS AND INTEREST DEDUCTION ON**
7 **EDUCATION LOANS.**

8 (a) HOPE AND LIFETIME LEARNING CREDITS.—

1 (1) INCREASE IN LIMITS.—Paragraph (2) of
2 section 25A(d) of the Internal Revenue Code of
3 1986 is amended—

4 (A) in subparagraph (A)(ii) by inserting
5 “and \$60,000 in the case of a head of house-
6 hold” after “joint return”, and

7 (B) in subparagraph (B) by inserting “and
8 \$15,000 in the case of a head of household”
9 after “joint return”.

10 (2) ADJUSTMENT FOR INFLATION.—Subpara-
11 graph (A) of section 25A(h)(2) of such Code is
12 amended by inserting “, \$60,000,” after “\$40,000”.

13 (b) INTEREST ON EDUCATION LOANS.—

14 (1) INCREASE IN LIMITS.—Clause (II) of sec-
15 tion 221(b)(2)(B)(i) of such Code is amended by in-
16 serting “and \$50,000 in the case of a head of house-
17 hold” after “joint return”.

18 (2) ADJUSTMENT FOR INFLATION.—Paragraph
19 (1) of section 221(g) of such Code is amended by in-
20 serting “, \$50,000,” after “\$40,000”.

21 (c) EFFECTIVE DATES.—

22 (1) HOPE AND LIFETIME LEARNING CRED-
23 ITS.—The amendments made by subsection (a) shall
24 apply to expenses paid after December 31, 2000 (in
25 tax years ending after such date), for education fur-

1 nished in academic periods beginning after such
2 date.

3 (2) INTEREST ON EDUCATION LOANS.—The
4 amendments made by subsection (b) shall apply to
5 interest payments due and paid after December 31,
6 2000, on any qualified education loan.

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