108TH CONGRESS
1ST SESSION

H. R. 693

To amend the Internal Revenue Code of 1986 to exclude from gross income certain death gratuity payments to members of the uniformed services.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 2003

Mr. JONES of North Carolina (for himself, Mr. COLE, Mr. WILSON of South Carolina, Mr. SMITH of New Jersey, Mr. SNYDER, Mr. FORBES, Mr. ABERCROMBIE, Mrs. TAUSCHER, Mr. POMEROY, Mr. LANTOS, Mr. MILLER of Florida, Mr. HAYES, Mr. TANNER, Mr. HEFLEY, Mr. MATSUI, Mr. EVERETT, Mrs. BONO, Mr. SANDERS, Mr. SIMMONS, Mr. DICKS, Mr. SCHROCK, Mr. ACKERMAN, Mr. FRANK of Massachusetts, Mr. ORTIZ, Mr. KOLBE, Mr. GIBBONS, Mr. KLINE, Mr. MICA, Mr. MEEHAN, Mr. TERRY, Mr. CALVERT, and Mr. REYES) introduced the following bill; which was referred to the Committee on Ways and Means

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A BILL

To amend the Internal Revenue Code of 1986 to exclude from gross income certain death gratuity payments to members of the uniformed services.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Military Death Gratuity Improvement Act of 2003''.

SEC. 2. EXCLUSION FROM GROSS INCOME OF CERTAIN DEATH GRATUITY PAYMENTS TO MEMBERS OF UNIFORMED SERVICES.

(a) IN GENERAL.—Paragraph (3) of section 134(b) of the Internal Revenue Code of 1986 (relating to certain military benefits) is amended by adding at the end the following new subparagraph:

"(C) EXCEPTION FOR DEATH GRATUITY INCREASE.—Subparagraph (A) shall be applied by substituting 'December 31, 1991' for 'September 9, 1986' in the case of a death gratuity payable under chapter 75 of title 10, United States Code, with respect to a death occurring after September 10, 2001.".

(b) CONFORMING AMENDMENT.—Subparagraph (A) of section 134(b)(3) of such Code is amended by striking "subparagraph (B)" and inserting "subparagraphs (B) and (C)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid with respect to deaths occurring after September 10, 2001.

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