

109TH CONGRESS
1ST SESSION

H. R. 1499

AN ACT

To amend the Internal Revenue Code of 1986 to allow members of the Armed Forces serving in a combat zone to make contributions to their individual retirement plans even if the compensation on which such contribution is based is excluded from gross income, and for other purposes.

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To amend the Internal Revenue Code of 1986 to allow members of the Armed Forces serving in a combat zone to make contributions to their individual retirement plans even if the compensation on which such contribution is based is excluded from gross income, and for other purposes.

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 “Heroes Earned Retire-
5 ment Opportunities Act”.

6 **SEC. 2. COMBAT ZONE COMPENSATION TAKEN INTO AC-**
7 **COUNT FOR PURPOSES OF DETERMINING**
8 **LIMITATION AND DEDUCTIBILITY OF CON-**
9 **TRIBUTIONS TO INDIVIDUAL RETIREMENT**
10 **PLANS.**

11 (a) IN GENERAL.—Subsection (f) of section 219 of
12 the Internal Revenue Code of 1986 is amended by redesignig-
13 nating paragraph (7) as paragraph (8) and by inserting
14 after paragraph (6) the following new paragraph:

15 “(7) SPECIAL RULE FOR COMPENSATION
16 EARNED BY MEMBERS OF THE ARMED FORCES FOR
17 SERVICE IN A COMBAT ZONE.—For purposes of sub-
18 sections (b)(1)(B) and (c), the amount of compensa-
19 tion includible in an individual’s gross income shall
20 be determined without regard to section 112.”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2004.

Passed the House of Representatives May 23, 2005.

Attest:

Clerk.