

119TH CONGRESS
2D SESSION

H. R. 7878

To amend the Internal Revenue Code of 1986 to provide an exclusion from gross income for AmeriCorps educational awards.

IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2026

Mr. LARSON of Connecticut (for himself and Mr. BACON) 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 provide an exclusion from gross income for AmeriCorps educational awards.

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 “Segal AmeriCorps
5 Educational Award Tax Relief Act of 2026”.

6 **SEC. 2. EXCLUSION FROM GROSS INCOME OF AMERICORPS**
7 **EDUCATIONAL AWARDS.**

8 (a) IN GENERAL.—Section 117(c)(2) of the Internal
9 Revenue Code of 1986 is amended by striking “or” at the
10 end of subparagraph (B), by striking the period at the

1 end of subparagraph (C) and inserting “, or”, and by add-
2 ing at the end the following new subparagraph:

3 “(D) a national service educational award
4 under subtitle D of title I of the National and
5 Community Service Act of 1990.”.

6 (b) DISCHARGE OF STUDENT LOAN DEBT.—Section
7 108(f) of such Code is amended by adding at the end the
8 following new paragraph:

9 “(6) PAYMENTS UNDER NATIONAL SERVICE
10 EDUCATIONAL AWARDS.—In the case of an indi-
11 vidual, gross income shall not include any amount
12 received under a national service educational award
13 under subtitle D of title I of the National and Com-
14 munity Service Act of 1990.”.

15 (c) EFFECTIVE DATES.—

16 (1) IN GENERAL.—The amendments made by
17 subsection (a) shall apply to amounts received in
18 taxable years ending after the date of the enactment
19 of this Act.

20 (2) DISCHARGE OF STUDENT LOAN DEBT.—
21 The amendment made by subsection (b) shall apply
22 to discharges of indebtedness in taxable years ending
23 after the date of the enactment of this Act.

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