

105TH CONGRESS
2D SESSION

H. R. 3626

To amend the Internal Revenue Code of 1986 to exclude from gross income amounts received on the sale of animals which are raised and sold as part of an educational program.

IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 1998

Mr. PAUL 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 exclude from gross income amounts received on the sale of animals which are raised and sold as part of an educational program.

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 “Agriculture Education
5 Freedom Act”.

1 **SEC. 2. EXCLUSION FROM GROSS INCOME FOR AMOUNTS**
2 **RECEIVED ON SALE OF ANIMALS WHICH ARE**
3 **RAISED AND SOLD AS PART OF EDU-**
4 **CATIONAL PROGRAM.**

5 (a) IN GENERAL.—Part III of subchapter B of chap-
6 ter 1 of the Internal Revenue Code of 1986 (relating to
7 items specifically excluded from gross income) is amended
8 by redesignating section 139 as section 140 and by insert-
9 ing after section 138 the following new section:

10 **“SEC. 139. PROCEEDS OF SALE OF ANIMALS RAISED AND**
11 **SOLD AS PART OF EDUCATIONAL PROGRAM.**

12 “In the case of an individual, gross income shall not
13 include any gain from the sale of any animal which is
14 raised and sold by such individual as part of such individ-
15 ual’s participation in—

16 “(1) the 4-H program under the Cooperative
17 State Research, Education, and Extension Service of
18 the Department of Agriculture,

19 “(2) the Future Farmers of America,

20 “(3) any program of an organization described
21 in section 501(c) and exempt from tax under section
22 501(a) which is similar to such 4-H program or the
23 Future Farmers of America, or

24 “(4) any program of an educational organiza-
25 tion described in section 170(b)(1)(A)(ii).”.

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

“Sec. 139. Proceeds of sale of animals raised and sold as part of
educational program.

“Sec. 140. Cross references to other Acts.”

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

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