

105TH CONGRESS
2D SESSION

H. R. 4638

To amend the Internal Revenue Code of 1986 to allow a deduction for the cost of groceries purchased by employees and prepared into meals by employers for the convenience of employers.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 25, 1998

Mr. SMITH of Michigan 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 allow a deduction for the cost of groceries purchased by employees and prepared into meals by employers for the convenience of employers.

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. COST OF GROCERIES PREPARED AS MEALS**
4 **FOR CONVENIENCE OF EMPLOYER.**

5 (a) IN GENERAL.—Section 119 of the Internal Reve-
6 nue Code of 1986 (relating to meals or lodging furnished
7 for the convenience of the employer) is amended by adding
8 at the end the following new subsection:

1 “(e) GROCERIES PURCHASED BY EMPLOYEE AND
2 PREPARED INTO MEAL BY EMPLOYER.—For purposes of
3 subsection (a), the term ‘meal’ includes groceries pur-
4 chased by an employee and prepared by the employer.”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 subsection (a) shall apply to taxable years beginning after
7 the date of the enactment of this Act.

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