

106TH CONGRESS  
1ST SESSION

# H. R. 1011

To amend the Internal Revenue Code of 1986 to exclude from gross income the value of certain real property tax reduction vouchers received by senior citizens who provide volunteer services under a State program.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 4, 1999

Mr. NEAL of Massachusetts (for himself, Mr. MOAKLEY, Mr. DELAHUNT, Mr. MEEHAN, Mr. MCGOVERN, Mr. TIERNEY, and Mr. OLVER) 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 the value of certain real property tax reduction vouchers received by senior citizens who provide volunteer services under a State program.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. EXCLUSION FROM GROSS INCOME FOR CER-**  
 2 **TAIN REAL PROPERTY TAX REDUCTION**  
 3 **VOUCHERS RECEIVED BY SENIOR CITIZENS**  
 4 **WHO PROVIDE VOLUNTEER SERVICES UNDER**  
 5 **A STATE PROGRAM.**

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

11 **“SEC. 139. REAL PROPERTY TAX REDUCTION VOUCHERS**  
 12 **RECEIVED BY SENIOR CITIZENS WHO PRO-**  
 13 **VIDE VOLUNTEER SERVICES UNDER A STATE**  
 14 **PROGRAM.**

15 “(a) EXCLUSION.—In the case of an individual who  
 16 has attained age 65, gross income shall not include the  
 17 value of any real property tax reduction voucher received  
 18 during the taxable year for services performed by such in-  
 19 dividual.

20 “(b) MAXIMUM EXCLUSION.—The amount excluded  
 21 from gross income under subsection (a) for the taxable  
 22 year by each individual receiving a real property tax reduc-  
 23 tion voucher shall not exceed \$500.

24 “(c) REAL PROPERTY TAX REDUCTION VOUCHER.—  
 25 For purposes of this section, the term ‘real property tax  
 26 reduction voucher’ means any voucher—

1           “(1) which is issued by a governmental unit as  
 2           part of a program under which individuals who have  
 3           attained age 65 perform volunteer services for the  
 4           benefit of such governmental unit in exchange for  
 5           such voucher, and

6           “(2) which may be used by such individuals  
 7           only toward satisfying their liability for real property  
 8           taxes imposed by such governmental unit.

9           “(d) DENIAL OF DOUBLE BENEFIT.—No deduction  
 10          shall be allowed under this chapter for any real property  
 11          tax paid using any real property tax reduction voucher to  
 12          the extent that the amount of such voucher is excluded  
 13          from gross income under this section.”

14          (b) EXEMPTION FROM EMPLOYMENT TAXES.—

15                 (1) SOCIAL SECURITY TAXES.—

16                         (A) Paragraph (20) of section 3121(a) of  
 17                         such Code is amended by striking “or 132” and  
 18                         inserting “132, or 139”.

19                         (B) Paragraph (17) of section 209(a) of  
 20                         the Social Security Act is amended by striking  
 21                         “or 132” and inserting “132, or 139”.

22                 (2) UNEMPLOYMENT COMPENSATION TAX.—  
 23                         Paragraph (16) of section 3306(b) of such Code is  
 24                         amended by striking “or 132” and inserting “132,  
 25                         or 139”.

1           (3) WAGE WITHHOLDING.—Paragraph (19) of  
 2           section 3401(a) of such Code is amended by striking  
 3           “or 132” and inserting “132, or 139”.

4           (c) CLERICAL AMENDMENT.—The table of sections  
 5           for part III of subchapter B of chapter 1 of such Code  
 6           is amended by striking the last item and inserting the fol-  
 7           lowing new items:

“Sec. 139. Real property tax reduction vouchers received by sen-  
   ior citizens who provide volunteer services under a  
   State program.

“Sec. 139A. Cross references to other Acts.”

8           (d) EFFECTIVE DATES.—

9           (1) IN GENERAL.—Except as provided in para-  
 10          graph (2), the amendments made by this section  
 11          shall apply to taxable years beginning after Decem-  
 12          ber 31, 1999.

13          (2) EMPLOYMENT TAXES.—The amendments  
 14          made by subsection (b) shall apply to remuneration  
 15          paid after December 31, 1999.

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