

106TH CONGRESS
1ST SESSION

H. R. 1194

To amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 1999

Mr. LEWIS of Kentucky (for himself, Mr. NUSSLE, Ms. PRYCE of Ohio, Mr. TERRY, Mrs. MINK of Hawaii, Mr. SHOWS, Mr. HAYWORTH, Mr. BEREUTER, Mr. BOUCHER, Mrs. MYRICK, Mr. RAMSTAD, Mr. BURTON of Indiana, Mr. MCCRERY, Mr. HEFLEY, Mr. MARTINEZ, Mr. SCHAFFER, Mr. PAYNE, Mr. DELAY, Mrs. NORTHUP, Mrs. CAPPS, Mr. MCINNIS, and Mr. BLILEY) 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 that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, 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,*

1 **SECTION 1. EXCLUSION FOR FOSTER CARE PAYMENTS TO**
2 **APPLY TO PAYMENTS BY QUALIFIED PLACE-**
3 **MENT AGENCIES.**

4 (a) IN GENERAL.—The matter preceding subpara-
5 graph (B) of section 131(b)(1) of the Internal Revenue
6 Code of 1986 (defining qualified foster care payment) is
7 amended to read as follows:

8 “(1) IN GENERAL.—The term ‘qualified foster
9 care payment’ means any payment made pursuant to
10 a foster care program of a State or political subdivi-
11 sion thereof—

12 “(A) which is paid by—

13 “(i) a State or political subdivision
14 thereof, or

15 “(ii) a qualified foster care placement
16 agency, and”.

17 (b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE
18 INDIVIDUALS PLACED BY QUALIFIED PLACEMENT AGEN-
19 CIES.—Subparagraph (B) of section 131(b)(2) of such
20 Code (defining qualified foster individual) is amended to
21 read as follows:

22 “(B) a qualified foster care placement
23 agency.”

24 (c) QUALIFIED FOSTER CARE PLACEMENT AGENCY
25 DEFINED.—Subsection (b) of section 131 of such Code
26 is amended by redesignating paragraph (3) as paragraph

1 (4) and by inserting after paragraph (2) the following new
2 paragraph:

3 “(3) QUALIFIED FOSTER CARE PLACEMENT
4 AGENCY.—The term ‘qualified foster care placement
5 agency’ means any placement agency which is li-
6 censed or certified by—

7 “(A) a State or political subdivision there-
8 of, or

9 “(B) an entity designated by a State or
10 political subdivision thereof,
11 for the foster care program of such State or political
12 subdivision to make foster care payments to pro-
13 viders of foster care.”

14 (d) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to taxable years beginning after
16 December 31, 1998.

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