

106TH CONGRESS  
1ST SESSION

# S. 288

To amend the Internal Revenue Code of 1986 to exclude from income certain amounts received under the National Health Service Corps Scholarship Program and the F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance Program.

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## IN THE SENATE OF THE UNITED STATES

JANUARY 21, 1999

Mr. JEFFORDS (for himself, Mr. HATCH, Mr. KENNEDY, Mr. SMITH of Oregon, Mr. LEAHY, Mr. KERREY, and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to exclude from income certain amounts received under the National Health Service Corps Scholarship Program and the F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance 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 OF CERTAIN AMOUNTS RECEIVED**  
 2 **UNDER THE NATIONAL HEALTH SERVICE**  
 3 **CORPS SCHOLARSHIP PROGRAM AND THE F.**  
 4 **EDWARD HEBERT ARMED FORCES HEALTH**  
 5 **PROFESSIONS SCHOLARSHIP AND FINANCIAL**  
 6 **ASSISTANCE PROGRAM.**

7 (a) IN GENERAL.—Section 117(c) of the Internal  
 8 Revenue Code of 1986 (relating to the exclusion from  
 9 gross income amounts received as a qualified scholarship)  
 10 is amended—

11 (1) by striking “Subsections (a)” and inserting  
 12 the following:

13 “(1) IN GENERAL.—Except as provided in para-  
 14 graph (2), subsections (a)”;

15 (2) by adding at the end the following new  
 16 paragraph:

17 “(2) EXCEPTIONS.—Paragraph (1) shall not  
 18 apply to any amount received by an individual  
 19 under—

20 “(A) the National Health Service Corps  
 21 Scholarship Program under section  
 22 338A(g)(1)(A) of the Public Health Service  
 23 Act; or

24 “(B) the Armed Forces Health Professions  
 25 Scholarship and Financial Assistance Program

1           under subchapter I of chapter 105 of title 10,  
2           United States Code.”.

3           (b) EFFECTIVE DATE.—The amendments made by  
4 subsection (a) shall apply to amounts received in taxable  
5 years beginning after December 31, 1994.

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