

109TH CONGRESS
1ST SESSION

H. R. 4387

To amend the Internal Revenue Code of 1986 to provide a credit to
individuals for charitable contributions of services.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 2005

Mr. HINCHEY 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
a credit to individuals for charitable contributions of services.

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 “Support American Vol-
5 unteer Efforts Act of 2005”.

6 **SEC. 2. CREDIT FOR CHARITABLE CONTRIBUTIONS OF**
7 **SERVICES.**

8 (a) IN GENERAL.—Subpart A of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code of
10 1986 (relating to nonrefundable personal credits) is

1 amended by inserting after section 25D the following new
2 section:

3 **“SEC. 25E. CHARITABLE CONTRIBUTIONS OF SERVICES.**

4 “(a) IN GENERAL.—In the case of an individual,
5 there shall be allowed as a credit against the tax imposed
6 by this chapter for the taxable year the product of—

7 “(1) the number of hours of service performed
8 for an organization described in section 170(c) by
9 such individual at the request of such organization,
10 multiplied by

11 “(2) the dollar amount per hour specified in
12 section 6(a)(1) of the Fair Labor Standard Act of
13 1938 (as in effect at the time the service is per-
14 formed).

15 “(b) LIMITATION.—

16 “(1) IN GENERAL.—The amount of the credit
17 allowed under subsection (a) with respect to any in-
18 dividual shall not exceed \$2,000 for any taxable
19 year.

20 “(2) ADJUSTMENTS FOR INFLATION.—In the
21 case of a taxable year beginning after December 31,
22 2006, the dollar amount in paragraph (1) shall be
23 increased by an amount equal to—

24 “(A) such dollar amount, multiplied by

1 “(B) the cost-of-living adjustment deter-
2 mined under section 1(f)(3) for the calendar
3 year in which the taxable year begins, deter-
4 mined by substituting ‘2005’ for ‘1992’ in sub-
5 paragraph (B) thereof.

6 If any amount as increased under the preceding sen-
7 tence is not a multiple of \$10, such amount shall be
8 rounded to the nearest multiple of \$10.

9 “(c) COMPENSATED SERVICE NOT TAKE INTO AC-
10 COUNT.—Any service performed by an individual with re-
11 spect to which any compensation is provided to such indi-
12 vidual shall not be taken into account under subsection
13 (a).”.

14 (b) CLERICAL AMENDMENT.—The table of sections
15 of such subpart is amended by inserting after the item
16 relating to section 25D the following new item:

 “Sec. 25E. Charitable contributions of services.”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to taxable years beginning after
19 December 31, 2005.

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