

109TH CONGRESS
1ST SESSION

H. R. 941

To amend the Internal Revenue Code of 1986 to modify the limitation on the deduction for college tuition and related expenses and to make the deduction permanent.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 2005

Mrs. KELLY 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 modify the limitation on the deduction for college tuition and related expenses and to make the deduction permanent.

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 “More Money for Col-
5 lege Act”.

6 **SEC. 2. DEDUCTION FOR COLLEGE TUITION AND RELATED
7 EXPENSES.**

8 (a) REPEAL OF DOLLAR LIMITATION AND IMPOSI-
9 TION OF INCOME LIMITATION.—Section 222 of the Inter-

1 nal Revenue Code of 1986 (relating to qualified tuition
2 and related expenses) is amended by striking subsection
3 (b) and by inserting after subsection (a) the following new
4 subsection:

5 “(b) LIMITATION.—

6 “(1) IN GENERAL.—No deduction shall be al-
7 lowed under subsection (a) in the case of any tax-
8 payer whose modified adjusted gross income for the
9 taxable year exceeds \$80,000 (twice such amount in
10 the case of a joint return).

11 “(2) MODIFIED ADJUSTED GROSS INCOME.—
12 For purposes of the preceding sentence, the term
13 ‘modified adjusted gross income’ means adjusted
14 gross income determined—

15 “(A) without regard to this section and
16 sections 199, 911, 931, and 933, and

17 “(B) after application of sections 86, 135,
18 137, 219, 221, and 469.

19 “(3) INFLATION ADJUSTMENT.—In the case of
20 any taxable year beginning in a calendar year after
21 2005, the dollar amount in paragraph (1) shall be
22 increased by an amount equal to the product of—

23 “(A) such dollar amount, and

24 “(B) the cost-of-living adjustment deter-
25 mined under section 1(f)(3) for the calendar

1 year in which the taxable year begins, determined by substituting ‘2004’ for ‘1992’ in sub-
2 paragraph (B) thereof.

4 If any increase determined under the preceding sentence is not a multiple of \$500, such increase shall
5 be rounded to the nearest multiple of \$500.”.

7 (b) REPEAL OF TERMINATION CLAUSE.—Section
8 222 of such Code is amended by striking subsection (e).

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to payments made in taxable years
11 beginning after December 31, 2004.

12 (d) PROVISION MADE PERMANENT.—Title IX of the
13 Economic Growth and Tax Relief Reconciliation Act of
14 2001 (relating to sunset of provisions of such Act) shall
15 not apply to section 431 of such Act.

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