

109TH CONGRESS
1ST SESSION

S. 1559

To amend the Internal Revenue Code of 1986 to provide taxpayers a tax check-off to designate certain annual contributions to the Armed Forces Relief Trust for an above-the-line deduction not to exceed \$1,000, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 29, 2005

Ms. LANDRIEU introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide taxpayers a tax check-off to designate certain annual contributions to the Armed Forces Relief Trust for an above-the-line deduction not to exceed \$1,000, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Emergency Relief Tax
5 Check-Off for Our Armed Forces Act of 2005”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress finds the following:

1 (1) A significant number of America's military
2 service men and women and their immediate families
3 have suffered severe economic hardships as a result
4 of injuries sustained in the course of their service.

5 (2) The various military relief societies have
6 provided essential support for military members fac-
7 ing economic hardship.

8 (3) The numbers and needs of United States
9 service members and their families far exceed the re-
10 sources available to these military relief societies.

11 (4) The American people strongly support the
12 creation of a tax check-off on their annual Federal
13 tax return devoted to emergency relief for members
14 of the Armed Forces and their families.

15 (b) PURPOSE.—It is the purpose of this Act to bring
16 greater awareness of the personal and financial hardships
17 of members of the Armed Forces of the United States,
18 military retirees, and veterans, as well as their family
19 members, as they serve our Nation and to provide a mech-
20 anism which will enable taxpayers to contribute in an ef-
21 fort to alleviate such hardships.

22 **SEC. 3. TAX CHECK-OFF FOR CERTAIN CONTRIBUTIONS TO**
23 **ARMED FORCES RELIEF TRUST.**

24 (a) TAX CHECK-OFF.—

1 (b) IN GENERAL.—In the case of an individual, with
 2 respect to each taxpayer’s return for the taxable year of
 3 the tax imposed by chapter 1, such individual may des-
 4 ignate that a contribution has been made for such taxable
 5 year to the Armed Forces Relief Trust.

6 (c) MANNER AND TIME OF DESIGNATION.—A des-
 7 ignation under paragraph (1) may be made with respect
 8 to any taxable year only at the time of filing the return
 9 of the tax imposed by chapter 1 for such taxable year.
 10 Such designation shall be made in such manner as the
 11 Secretary prescribes by regulations except that such des-
 12 ignation shall be made on the first page of the return in
 13 the area below the designation for income tax payments
 14 to the Presidential Election Campaign Fund.

15 (d) EXPLANATION OF TAX TREATMENT OF CON-
 16 TRIBUTIONS TO ARMED FORCES RELIEF TRUST.—The
 17 Secretary shall provide taxpayers with an explanation that
 18 an above-the-line deduction under section 62(a)(22) of the
 19 Internal Revenue Code of 1986 is allowed for any taxable
 20 year with respect to any contribution designated under
 21 paragraph (1) for such taxable year in an amount not to
 22 exceed \$1,000, that any amount of such contribution in
 23 excess of \$1,000 may be taken as an additional deduction
 24 for such taxable year by any taxpayer who itemizes deduc-
 25 tions, and that such above-the-line deduction is not includ-

1 ble in the determination of the alternative minimum tax
 2 under section 55 of such Code.

3 **SEC. 4. ABOVE-THE-LINE DEDUCTION.**

4 Section 62(a) of the Internal Revenue Code of 1986
 5 (defining adjusted gross income) is amended by redesignig-
 6 nating paragraph (20) (as added by section 703(a) of the
 7 American Jobs Creation Act of 2004) as paragraph (21)
 8 and by inserting after paragraph (21) (as so redesignated)
 9 the following new paragraph:

10 “(v) CERTAIN CONTRIBUTIONS TO ARMED FORCES
 11 RELIEF TRUST.—The deduction allowed by section 170
 12 which is attributable to contributions to the Armed Forces
 13 Relief Trust not in excess of \$1,000.”.

14 **SEC. 5. TREATMENT OF CHARITABLE CONTRIBUTIONS TO**
 15 **ARMED FORCES RELIEF TRUST.**

16 (a) IN GENERAL.—Notwithstanding any other provi-
 17 sion of law, any contribution made by any of the societies
 18 associated with the Armed Forces Relief Trust shall not
 19 be commingled with any charitable contribution made to
 20 the Trust Fund for which a deduction under section 170
 21 of the Internal Revenue Code of 1986 is allowable.

22 (b) ADMINISTRATION OF CHARITABLE CONTRIBU-
 23 TIONS.—The administration and distribution of any chari-
 24 table contributions described in paragraph (1) shall be
 25 made by the Armed Forces Relief Trust subject to the ad-

1 vice of a board of directors the establishment and oper-
2 ation of which is determined under section 6.

3 **SEC. 6. ADVISORY BOARD OF DIRECTORS.**

4 (a) APPOINTMENT.—

5 (1) IN GENERAL.—Within the Armed Forces
6 Relief Trust there is established an advisory board
7 of directors the members of which are appointed as
8 follows:

9 (A) One individual appointed by the Chair-
10 man of the Committee on Finance of the Sen-
11 ate.

12 (B) One individual appointed by the Chair-
13 man of the Committee on Armed Services of
14 the Senate.

15 (C) One individual appointed by the Chair-
16 man of the Committee on Veterans' Affairs of
17 the Senate.

18 (D) One individual appointed by the Chair-
19 man of the Committee on Appropriations of the
20 Senate.

21 (E) One individual appointed by the Chair-
22 man of the Joint Committee on Taxation.

23 (F) One individual appointed by the Chair-
24 man of the Committee on Armed Services of
25 the House of Representatives.

1 (G) One individual appointed by the Chair-
 2 man of the Committee on Veterans' Affairs of
 3 the House of Representatives.

4 (H) One individual appointed by the Chair-
 5 man of the Committee on Appropriations of the
 6 House of Representatives.

7 (I) One individual appointed by the Presi-
 8 dent from each of the following: the Army
 9 Emergency Relief Society, the Navy Marine
 10 Corps Relief Society, the Air Force Aid Society,
 11 and the Coast Guard Mutual Assistance Relief
 12 Society.

13 (J) Two individuals appointed by the
 14 President from 2 veterans service organizations.

15 (2) TERM.—The term of each member of the
 16 advisory board shall be 3 years, except that any
 17 member whose term of office has expired shall con-
 18 tinue to serve until such member's successor is ap-
 19 pointed. No member shall serve more than two 3-
 20 year terms.

21 (3) APPOINTMENT OF SUCCESSORS.—The ap-
 22 pointment of any successor member shall be made in
 23 the same manner as the original appointment. If a
 24 member dies or resigns before the expiration of the
 25 member's term, a successor shall be appointed for

1 the unexpired portion of the term in the same man-
2 ner as the original appointment.

3 (4) PROHIBITION.—No member of the advisory
4 board may be an employee of the Federal Govern-
5 ment.

6 (b) CHAIRMAN; VICE CHAIRMAN.—

7 (1) DESIGNATION.—The President shall des-
8 ignate a chairman for the advisory board. The advi-
9 sory board shall not later than its second meeting,
10 by majority vote, designate a vice chairman, who
11 shall perform the duties of the chairman in the ab-
12 sence of the chairman.

13 (2) DUTIES OF CHAIRMAN.—The chairman
14 shall call the meetings of the advisory board, propose
15 meeting agendas, chair the meetings, and establish,
16 with the approval of a majority of the members, the
17 rules and procedures for such meetings.

18 (c) OPERATIONS OF THE BOARD.—The advisory
19 board shall meet semi-annually, for the purpose of pro-
20 viding ongoing advice to the Armed Forces Relief Trust
21 regarding the distribution of contributed funds, policies
22 governing said distribution, and the administrative costs
23 and operations of the Armed Forces Relief Trust. A ma-
24 jority of the members shall constitute a quorum. Advisory
25 board members shall serve without compensation. While

1 performing duties as a member of the advisory board, each
2 member shall be reimbursed under Federal Government
3 travel regulations for travel expenses. Such reimburse-
4 ments and any other reasonable expenses of the advisory
5 board shall be provided by the budget of the Executive
6 Office of the President.

7 (d) AUDIT.—The General Accountability Office shall
8 audit the distribution and management of funds of the
9 Armed Forces Relief Trust on an annual basis to ensure
10 compliance with statutory and administrative directives.
11 The Comptroller General of the United States shall report
12 to the advisory board and Congress on the results of such
13 audit.

14 (e) REPORTS.—Within 60 days after its semi-annual
15 meeting, the advisory board shall submit a written report
16 to the President of its action, and of its views and rec-
17 ommendations. Any report other than the semi-annual re-
18 port, shall, if approved by a majority of the members of
19 the advisory board, be submitted to the President within
20 60 days after such approval.

21 **SEC. 7. EFFECTIVE DATE.**

22 The amendments made by this Act shall apply to tax-
23 able years beginning after December 31, 2004.

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