

110TH CONGRESS  
1ST SESSION

# H. R. 1274

To amend the Internal Revenue Code of 1986 to exclude from gross income amounts awarded to qui tam plaintiffs.

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IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 2007

Ms. BERKLEY introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to exclude from gross income amounts awarded to qui tam plaintiffs.

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. EXCLUSION OF AMOUNTS AWARDED TO QUI**

4 **TAM PLAINTIFFS.**

5 (a) IN GENERAL.—Part III of subchapter B of chap-  
6 ter 1 of the Internal Revenue Code of 1986 (relating to  
7 items specifically excluded from gross income) is amended  
8 by inserting after section 139A the following new section:

1 **“SEC. 139B. AWARD TO QUI TAM PLAINTIFF.**

2 “In the case of an individual, gross income does not  
3 include amounts awarded to such individual as a result  
4 of a qui tam action.”.

5 (b) CLERICAL AMENDMENT.—The table of sections  
6 for such part is amended by inserting after the item relat-  
7 ing to section 139A the following new item:

“Sec. 139B. Award to qui tam plaintiff.”.

8 (c) EXTENSION OF PERIOD TO FILE AMENDED RE-  
9 TURN.—Notwithstanding any other provision of law, an  
10 amended return made during the 3-year period beginning  
11 on the date of the enactment of this Act that includes the  
12 exclusion from gross income under section 139B of such  
13 Code in accordance with the amendment made by sub-  
14 section (a) shall be treated as timely made for purposes  
15 of such Code.

16 (d) EFFECTIVE DATE.—The amendments made by  
17 this section shall apply to amounts awarded to qui tam  
18 plaintiffs on or after January 1, 2002.

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