

113TH CONGRESS
1ST SESSION

H. R. 1840

To amend the Internal Revenue Code of 1986 to exclude from income and employment taxes real property tax abatements for seniors and disabled individuals in exchange for services.

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 2013

Ms. TSONGAS (for herself and Mr. NEAL) 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 exclude from income and employment taxes real property tax abatements for seniors and disabled individuals in exchange for 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 “Senior and Retired
5 Volunteers Act of 2013”.

1 **SEC. 2. EXCLUSION FROM INCOME AND EMPLOYMENT**
 2 **TAXES FOR REAL PROPERTY TAX ABATE-**
 3 **MENTS IN EXCHANGE FOR SERVICES.**

4 (a) INCOME TAXES.—

5 (1) IN GENERAL.—Part III of subchapter B of
 6 chapter 1 of the Internal Revenue Code of 1986 (re-
 7 lating to items specifically excluded from gross in-
 8 come) is amended by inserting after section 139D the
 9 following new section:

10 **“SEC. 139E. REAL PROPERTY TAX ABATEMENTS IN EX-**
 11 **CHANGE FOR SERVICES.**

12 “(a) IN GENERAL.—In the case of a qualified indi-
 13 vidual, gross income shall not include any real property
 14 tax abatement received under a State program, or a local
 15 program under specific authority of State law, in which
 16 the taxpayer receives such abatement in exchange for serv-
 17 ices.

18 “(b) QUALIFIED INDIVIDUAL.—For purposes of sub-
 19 section (a), the term ‘qualified individual’ means any indi-
 20 vidual who—

21 “(1) has attained age 60, or

22 “(2) is disabled (within the meaning of section
 23 72(m)(7)).”.

24 (2) CLERICAL AMENDMENT.—The table of sec-
 25 tions for part III of subchapter B of chapter 1 of

1 such Code is amended by inserting after the item re-
2 lating to section 139D the following new item:

“Sec. 139E. Real property tax abatements in exchange for services.”.

3 (b) EMPLOYMENT TAXES.—

4 (1) IN GENERAL.—Paragraph (7) of section
5 3121(b) of such Code is amended by striking “or”
6 at the end of subparagraph (E), by inserting “or”
7 at the end of subparagraph (F), and by inserting
8 after subparagraph (F) the following:

9 “(G) service under a State program in
10 which the taxpayer in exchange for services re-
11 ceives an abatement of real property taxes
12 which is excluded from income under section
13 139E;”.

14 (2) CONFORMING AMENDMENTS TO SOCIAL SE-
15 CURITY ACT.—Section 210(a)(7) of the Social Secu-
16 rity Act (42 U.S.C. 410(a)(7)) is amended by strik-
17 ing “or” at the end of subparagraph (E), by striking
18 the period at the end of subparagraph (F) and in-
19 serting “, or”, and by inserting after subparagraph
20 (F) the following:

21 “(G) service under a State program in
22 which the taxpayer in exchange for services re-
23 ceives an abatement of real property taxes
24 which is excluded from income under section
25 139E of the Internal Revenue Code of 1986.”.

1 (c) EFFECTIVE DATES.—

2 (1) The amendments made by subsection (a)
3 shall apply to taxable years beginning after Decem-
4 ber 31, 2013.

5 (2) The amendments made by subsection (b)
6 shall apply to service performed after December 31,
7 2013.

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