

114TH CONGRESS
1ST SESSION

H. R. 1581

To amend the Internal Revenue Code of 1986 to exclude from gross income the discharge of certain student loans of deceased or disabled veterans.

IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 2015

Mr. GALLEGO (for himself and Mr. ZINKE) 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 gross income the discharge of certain student loans of deceased or disabled veterans.

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 “Veterans Education
5 Tax Security Act of 2015” or the “VETS Act of 2015”.

1 **SEC. 2. DISCHARGE OF CERTAIN STUDENT LOANS OF DE-**
2 **CEASED OR DISABLED VETERANS EXCLUDED**
3 **FROM GROSS INCOME.**

4 (a) IN GENERAL.—Section 108(f) of the Internal
5 Revenue Code of 1986 is amended by adding to the end
6 the following new paragraph:

7 “(5) DISCHARGE OF CERTAIN STUDENT LOANS
8 OF DECEASED OR DISABLED VETERANS EXCLUDED
9 FROM GROSS INCOME.—

10 “(A) IN GENERAL.—In the case of—

11 “(i) any veteran or member of the
12 Armed Forces who dies,

13 “(ii) any veteran whom the Secretary
14 of Veterans Affairs determines has a serv-
15 ice connected disability rated as total, or

16 “(iii) with respect to any loan made to
17 an individual described in clause (i) or (ii),
18 any cosigner of such loan,

19 gross income shall not include any amount re-
20 ceived under 437(a) of the Higher Education
21 Act of 1965.

22 “(B) CERTAIN PARENTAL LOANS.—In the
23 case of a parent of a member of the Armed
24 Forces who dies, gross income shall not include
25 any amount received under 437(d) of the High-
26 er Education Act of 1965.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2014.

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