

115TH CONGRESS
2D SESSION

S. 3504

To amend the Internal Revenue Code of 1986 to provide an exemption from gross income for civil damages as recompense for trafficking in persons.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 26, 2018

Mr. CORNYN (for himself and Mr. WYDEN) 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 an exemption from gross income for civil damages as recompense for trafficking in persons.

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 “Human Trafficking
5 Survivor Tax Relief Act”.

1 **SEC. 2. EXEMPTING FROM FEDERAL INCOME TAXATION**
 2 **CIVIL DAMAGES AWARDED UNDER SECTION**
 3 **1595 OF TITLE 18, UNITED STATES CODE.**

4 (a) IN GENERAL.—Part III of subchapter B of chap-
 5 ter 1 of the Internal Revenue Code of 1986 is amended
 6 by inserting before section 140 the following new section:

7 **“SEC. 139H. CERTAIN AMOUNT RECEIVED AS CIVIL DAM-**
 8 **AGES AS RECOMPENSE FOR TRAFFICKING IN**
 9 **PERSONS.**

10 “(a) EXCLUSION FROM GROSS INCOME.—Gross in-
 11 come shall not include any civil damages, restitution, or
 12 other monetary award (including compensatory or statu-
 13 tory damages and restitution imposed in a criminal mat-
 14 ter) awarded in an action under section 1595 of title 18,
 15 United States Code.”.

16 (b) CONFORMING AMENDMENT.—The table of sec-
 17 tions for part III of subchapter B of chapter 1 of the In-
 18 ternal Revenue Code of 1986 is amended by inserting be-
 19 fore the item relating to section 140 the following new
 20 item:

“Sec. 139H. Certain amount received as civil damages as recompense for traf-
 ficking in persons.”.

21 (c) EFFECTIVE DATE.—The amendments made by
 22 this section shall apply to taxable years beginning after
 23 the date of the enactment of this Act.

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