

116TH CONGRESS  
1ST SESSION

# S. 2078

To amend the Internal Revenue Code of 1986 to treat Alaska Permanent Fund dividends as earned income for purposes of the kiddie tax.

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IN THE SENATE OF THE UNITED STATES

JULY 10, 2019

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

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## A BILL

To amend the Internal Revenue Code of 1986 to treat Alaska Permanent Fund dividends as earned income for purposes of the kiddie tax.

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. CERTAIN SCHOLARSHIPS TREATED AS EARNED**  
4       **INCOME FOR KIDDIE TAX.**

5       (a) IN GENERAL.—Section 1(g)(4) of the Internal  
6       Revenue Code of 1986 is amended by adding at the end  
7       the following new subparagraph:

8               “(D) TREATMENT OF ALASKA PERMANENT  
9       FUND DIVIDENDS.—For purposes of this sub-  
10       section, any Alaska Permanent Fund dividend

1           which is received by the child referred to in  
2           paragraph (1) and included in the gross income  
3           of such child shall be treated as earned income  
4           of such child.”.

5           (b) EFFECTIVE DATE.—The amendment made by  
6 this section shall apply to taxable years beginning after  
7 December 31, 2017.

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