

107TH CONGRESS
2^D SESSION

S. 2807

To amend the Internal Revenue Code of 1986 to clarify the treatment of dependent care assistance programs sponsored by the Department of Defense for members of the Armed Forces of the United States.

IN THE SENATE OF THE UNITED STATES

JULY 26, 2002

Ms. LANDRIEU 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 clarify the treatment of dependent care assistance programs sponsored by the Department of Defense for members of the Armed Forces of the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. CLARIFICATION OF THE TREATMENT OF DE-**
2 **PENDENT CARE ASSISTANCE PROGRAMS**
3 **SPONSORED BY THE DEPARTMENT OF DE-**
4 **FENSE FOR MEMBERS OF THE ARMED**
5 **FORCES OF THE UNITED STATES.**

6 (a) **IN GENERAL.**—Section 129(a)(2) of the Internal
7 Revenue Code of 1986 (relating to limitation on exclusion
8 for dependent care assistance programs) is amended by
9 adding at the end the following new subparagraph:

10 “(D) **EXCEPTION.**—Subparagraph (A)
11 shall not apply to any dependent care assistance
12 program sponsored by the Department of De-
13 fense for members of the Armed Forces of the
14 United States.”.

15 (b) **EFFECTIVE DATE.**—The amendment made by
16 this section shall apply to taxable years beginning after
17 December 31, 2001.

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