

112TH CONGRESS
1ST SESSION

H. R. 1271

To amend the Internal Revenue Code of 1986 to exclude from gross income amounts received on the sale of animals which are raised and sold as part of an educational program.

IN THE HOUSE OF REPRESENTATIVES

MARCH 30, 2011

Mr. PAUL 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 amounts received on the sale of animals which are raised and sold as part of an educational program.

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 “Agriculture Education
5 Freedom Act”.

1 **SEC. 2. EXCLUSION FROM GROSS INCOME FOR AMOUNTS**
 2 **RECEIVED ON SALE OF ANIMALS WHICH ARE**
 3 **RAISED AND SOLD AS PART OF EDU-**
 4 **CATIONAL PROGRAM.**

5 (a) IN GENERAL.—Part III of subchapter B of chap-
 6 ter 1 of the Internal Revenue Code of 1986 is amended
 7 by inserting after section 139D the following new section:

8 **“SEC. 139E. PROCEEDS OF SALE OF ANIMALS RAISED AND**
 9 **SOLD AS PART OF EDUCATIONAL PROGRAM.**

10 “In the case of an individual, gross income shall not
 11 include any gain from the sale of any animal which is
 12 raised and sold by such individual as part of such individ-
 13 ual’s participation in—

14 “(1) the 4–H program under the Cooperative
 15 State Research, Education, and Extension Service of
 16 the Department of Agriculture,

17 “(2) the Future Farmers of America,

18 “(3) any program of an organization described
 19 in section 501(c) and exempt from tax under section
 20 501(a) which is similar to such 4–H program or the
 21 Future Farmers of America, or

22 “(4) any program of an educational organiza-
 23 tion described in section 170(b)(1)(A)(ii).”.

24 (b) CLERICAL AMENDMENT.—The table of sections
 25 for such part III is amended by inserting after the item
 26 relating to section 139D the following new item:

“Sec. 139E. Proceeds of sale of animals raised and sold as part of educational program.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to sales in taxable years ending
3 after the date of the enactment of this Act.

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