

HR 5557

Armed Forces Tax Fairness Act of 2002

Congress: 107 (2001–2003, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Oct 7, 2002

Current Status: Message on Senate action sent to the House.

Latest Action: Message on Senate action sent to the House. (Nov 15, 2002)

Official Text: <https://www.congress.gov/bill/107th-congress/house-bill/5557>

Sponsor

Name: Rep. Thomas, William M. [R-CA-21]

Party: Republican • State: CA • Chamber: House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	Oct 7, 2002

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
107 HR 5063	Related bill	Nov 14, 2002: Message on House action received in Senate and at desk: House amendments to Senate amendments.

Armed Forces Tax Fairness Act of 2002 - (Sec. 2) Amends the Internal Revenue Code (the Code) to suspend, for members of the uniformed services or of the Foreign Service serving on "qualified official extended duty" (any extended duty while serving at a duty station which is at least 150 miles from the principal residence or while residing under Government orders in Government quarters), the five-year period utilized in determining exclusion of gain from the sale of such residence. Limits the extension of such period to not more than five years.

(Sec. 3) Restores in full the tax-exempt status of death gratuity payments to members of the armed services.

(Sec. 4) Excludes from gross income any fringe benefit qualifying as a "qualified military base realignment and closure fringe."

(Sec. 5) Expands the applicability of rules concerning time for the performance of certain acts under the Code (filing, payment, and etc.) which may be postponed because of service in a combat zone to include service away from a service member's permanent duty station while participating in an operation designated by the Secretary of Defense as a contingency operation.

(Sec. 6) Permits ancestors and lineal descendants of past or present members of the armed forces to be taken into account in determining whether a veterans' organization is exempt from tax.

(Sec. 7) Includes dependent care assistance within the definition of a qualified military benefit which shall be excluded from gross income, thus excluding such assistance from gross income for uniformed service members and former members.

(Sec. 8) Exempts distributions from an education individual retirement account from the ten percent additional tax for non-educational use: (1) if made for an account holder at the United States Military Academy, the United States Naval Academy, the United States Air Force Academy, the United States Coast Guard Academy, or the United States Merchant Marine Academy; and (2) to the extent that the distribution does not exceed the costs of advanced education.

(Sec. 9) Suspends the tax-exempt status of a designated terrorist organization (as defined by this Act). Denies: (1) deductions for contributions made to such an organization; and (2) administrative or judicial challenge to such suspension or denial. Provides for refund or credit in a case of erroneous designation.

(Sec. 10) Provides a business or trade deduction of up to \$1,500 for itemizers and non-itemizers for unreimbursed overnight travel, meals, and lodging expenses of National Guard and Reserve members who must travel more than 100 miles from home and stay overnight as part of their official duties.

(Sec. 11) Directs the Internal Revenue Service (IRS) to establish user fees for ruling letters, opinion letters, determination letters, and similar requests. Exempts certain pension plan requests. Sets forth average fee determination provisions.

(Sec. 12) Authorizes the IRS to enter into partial payment installment agreements with taxpayers.

Requires review of such agreements at least every two years.

## Actions Timeline

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- **Nov 15, 2002:** Message on Senate action sent to the House.
- **Nov 14, 2002:** Measure laid before Senate by unanimous consent. (consideration: CR S11159-11160)
- **Nov 14, 2002:** Passed/agreed to in Senate: Passed Senate with an amendment by Unanimous Consent.
- **Nov 14, 2002:** Passed Senate with an amendment by Unanimous Consent.
- **Oct 9, 2002:** Considered as unfinished business. (consideration: CR H7308-7309)
- **Oct 9, 2002:** Passed/agreed to in House: On motion to suspend the rules and pass the bill Agreed to by the Yeas and Nays: (2/3 required): 412 - 0 (Roll no. 451).(text: CR 10/7/2002 H7164-7165)
- **Oct 9, 2002:** On motion to suspend the rules and pass the bill Agreed to by the Yeas and Nays: (2/3 required): 412 - 0 (Roll no. 451). (text: CR 10/7/2002 H7164-7165)
- **Oct 9, 2002:** Motion to reconsider laid on the table Agreed to without objection.
- **Oct 9, 2002:** Received in the Senate.
- **Oct 7, 2002:** Introduced in House
- **Oct 7, 2002:** Introduced in House
- **Oct 7, 2002:** Referred to the House Committee on Ways and Means.
- **Oct 7, 2002:** Mr. Weller moved to suspend the rules and pass the bill.
- **Oct 7, 2002:** Considered under suspension of the rules. (consideration: CR H7164-7167)
- **Oct 7, 2002:** DEBATE - The House proceeded with forty minutes of debate on H.R. 5557.
- **Oct 7, 2002:** At the conclusion of debate, the Yeas and Nays were demanded and ordered. Pursuant to the provisions of clause 8, rule XX, the Chair announced that further proceedings on the motion would be postponed until Oct. 8.