

AMENDMENT TO
RULES COMMITTEE PRINT 115-39
OFFERED BY MR. DESAULNIER OF CALIFORNIA

Page 447, after line 3, add the following new title:

1 **TITLE VI—EXCLUSION OF FED-**
2 **ERAL PELL GRANTS FROM**
3 **GROSS INCOME**

4 **SEC. 6001. EXCLUSION OF FEDERAL PELL GRANTS FROM**
5 **GROSS INCOME.**

6 (a) IN GENERAL.—Section 117 of the Internal Rev-
7 enue Code of 1986 is amended by adding at the end the
8 following new subsection:

9 “(e) FEDERAL PELL GRANTS.—Gross income does
10 not include any amount received as a Federal Pell Grant
11 awarded under subpart 1 of part A of title IV of the High-
12 er Education Act of 1965 (20 U.S.C. 1070a).”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to amounts received in taxable
15 years beginning after December 31, 2016.

16 **SEC. 6002. CORPORATE RATE INCREASE TO ACHIEVE REV-**
17 **ENUE NEUTRALITY.**

18 (a) IN GENERAL.—The rate of tax specified in sec-
19 tion 11(b)(1) of the Internal Revenue Code of 1986 (after

1 the amendment made by section 3001(a) of this Act) shall
2 be increased by such number of percentage points as is
3 necessary to fully offset the aggregate reduction in Fed-
4 eral revenues which result from the amendments and re-
5 peals made by section 6001 of this Act.

6 (b) EFFECTIVE DATE.—Subsection (a) shall apply as
7 if such provision were an amendment made by section
8 3001(a) of this Act.

