

AMENDMENT TO RULES COMM. PRINT 115-39

OFFERED BY MR. MESSER OF INDIANA

At the end, add the following:

1 **TITLE VI—FAIR TREATMENT OF**
2 **SCHOLARSHIPS AND PELL**
3 **GRANTS ACT OF 2017**

4 **SEC. 6001. EXCLUSION OF ROOM AND BOARD COSTS AND**
5 **CERTAIN RESEARCH EXPENSES FROM GROSS**
6 **INCOME.**

7 (a) IN GENERAL.—Section 117(b)(1) is amended by
8 striking “used for qualified tuition and related expenses.”
9 and inserting the following: “used—

10 “(A) for qualified tuition and related ex-
11 penses, or

12 “(B) for room and board costs.”.

13 (b) CLARIFICATION WITH RESPECT TO RESEARCH
14 EXPENSES.—Section 117(b)(2)(B) is amended by insert-
15 ing “or for research at such an educational organization”
16 before the period at the end.

17 (c) DEFINITIONS.—Section 117(b) is amended by
18 adding at the end the following new paragraph:

19 “(3) ROOM AND BOARD COSTS.—For purposes
20 of paragraph (1), the term ‘room and board costs’

1 means room and board costs for which there is an
2 allowance under section 472(3) of the Higher Edu-
3 cation Act of 1965.”.

4 (d) LIMITATION.—

5 (1) IN GENERAL.—Section 117(c) is amended
6 by adding at the end the following new paragraph:

7 “(3) EXPENSES FOR RESEARCH.—

8 “(A) IN GENERAL.—The amount included
9 in qualified tuition and related expenses under
10 subsection (b)(2)(B) for a taxable year for re-
11 search not required for a course of instruction
12 shall not exceed \$300.

13 “(B) INFLATION ADJUSTMENT.—In the
14 case of any taxable year beginning after 2017,
15 the \$300 amount in subparagraph (A) shall be
16 increased by an amount equal to—

17 “(i) such dollar amount, multiplied by

18 “(ii) the cost-of-living adjustment de-
19 termined under section 1(f)(3) for the cal-
20 endar year in which the taxable year be-
21 gins, determined by substituting ‘calendar
22 year 2016’ for ‘calendar year 1992’ in sub-
23 paragraph (B) of such section.

24 “(C) ROUNDING.—If any increase deter-
25 mined under subparagraph (B) is not a mul-

1 tiple of \$5, such increase shall be rounded to
2 the nearest multiple of \$5.”.

3 (2) CONFORMING AMENDMENTS.—Section
4 117(c) is further amended—

5 (A) in the heading, by striking “LIMITA-
6 TION” and inserting “LIMITATIONS”, and

7 (B) in the heading of paragraph (1), by
8 striking “IN GENERAL” and inserting “PAY-
9 MENT FOR TEACHING, RESEARCH, AND OTHER
10 SERVICES”.

11 (e) EFFECTIVE DATE.—The amendments made by
12 this section apply with respect to amounts received in tax-
13 able years beginning after December 31, 2016.

