

AMENDMENT TO RULES COMMITTEE
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OFFERED BY MR. LAWSON OF FLORIDA

Add at the end the following:

1 **TITLE VI—MODIFICATION OF**
2 **TREATMENT OF STUDENT**
3 **LOAN FORGIVENESS**

4 **SEC. 6001. MODIFICATION OF TREATMENT OF STUDENT**
5 **LOAN FORGIVENESS.**

6 (a) IN GENERAL.—Section 108(f) of the Internal
7 Revenue Code of 1986 is amended—

8 (1) by striking paragraphs (1) and (2) and in-
9 serting the following:

10 “(1) IN GENERAL.—In the case of an indi-
11 vidual, gross income does not include any amount
12 which (but for this subsection) would be includible in
13 gross income by reasons of the discharge (in whole
14 or in part) of—

15 “(A) any loan provided expressly for post-
16 secondary educational expenses, regardless of
17 whether provided through the educational insti-
18 tution or directly to the borrower, if such loan
19 was made by—

1 “(i) the United States, or an instru-
2 mentality or agency thereof,

3 “(ii) a State, territory, or possession
4 of the United States, or the District of Co-
5 lumbia, or any political subdivision thereof,
6 or

7 “(iii) any institution of higher edu-
8 cation,

9 “(B) any loan made by any educational or-
10 ganization described in section 170(b)(1)(A)(ii)
11 if such loan is made—

12 “(i) pursuant to an agreement with
13 any entity described in subparagraph (A)
14 under which the funds from which the loan
15 was made were provided to such edu-
16 cational organization, or

17 “(ii) pursuant to a program of such
18 educational organization which is designed
19 to encourage its students to serve in occu-
20 pations with unmet needs or in areas with
21 unmet needs and under which the services
22 provided by the students (or former stu-
23 dents) are for or under the direction of a
24 governmental unit or an organization de-

1 scribed in section 501(c)(3) and exempt
2 from tax under section 501(a), or

3 “(C) any loan made by an educational or-
4 ganization described in section 170(b)(1)(A)(ii)
5 or by an organization exempt from tax under
6 section 501(a) to refinance a loan to an indi-
7 vidual to assist the individual in attending any
8 such educational organization but only if the re-
9 financing loan is pursuant to a program of the
10 refinancing organization which is designed as
11 described in subparagraph (C)(ii).”;

12 (2) by redesignating paragraphs (3) and (4) as
13 paragraphs (2) and (3), respectively; and

14 (3) in paragraph (2), as so redesignated, by
15 striking “made by an organization described in para-
16 graph (2)(D)” and inserting “made by an organiza-
17 tion described in paragraph (1)(C)”.

18 (b) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to discharges of loans after Decem-
20 ber 31, 2017.

21 **SEC. 6002. CORPORATE RATE INCREASE TO ACHIEVE REV-**
22 **ENUE NEUTRALITY.**

23 (a) IN GENERAL.—The rate of tax specified in sec-
24 tion 11(b)(1) of the Internal Revenue Code of 1986 (after
25 the amendment made by section 3001 (a)) shall be in-

1 creased by such number of percentage points as is nec-
2 essary to fully offset the aggregate reduction in Federal
3 revenues which result from amendments made by section
4 6001.

5 (b) EFFECTIVE DATE.—Subsection (a) shall apply as
6 if such provision were an amendment made by this title
7 (without regard to this section).

