AMENDMENT TO RULES COMMITTEE
PRINT 115–40
OFFERED BY MR. LAWSON OF FLORIDA

Add at the end the following:

TITLE VI—MODIFICATION OF TREATMENT OF STUDENT LOAN FORGIVENESS

SEC. 6001. MODIFICATION OF TREATMENT OF STUDENT LOAN FORGIVENESS.

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

(1) by striking paragraphs (1) and (2) and inserting the following:

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

“(A) any loan provided expressly for post-secondary educational expenses, regardless of whether provided through the educational institution or directly to the borrower, if such loan was made by—
“(i) the United States, or an instrumentality or agency thereof,

“(ii) a State, territory, or possession of the United States, or the District of Columbia, or any political subdivision thereof,

“(iii) any institution of higher education,

“(B) any loan made by any educational organization described in section 170(b)(1)(A)(ii) if such loan is made—

“(i) pursuant to an agreement with any entity described in subparagraph (A) under which the funds from which the loan was made were provided to such educational organization, or

“(ii) pursuant to a program of such educational organization which is designed to encourage its students to serve in occupations with unmet needs or in areas with unmet needs and under which the services provided by the students (or former students) are for or under the direction of a governmental unit or an organization de-
scribed in section 501(c)(3) and exempt
from tax under section 501(a), or

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

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

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

(b) EFFECTIVE DATE.—The amendments made by
this section shall apply to discharges of loans after Decem-

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

(a) IN GENERAL.—The rate of tax specified in sec-
tion 11(b)(1) of the Internal Revenue Code of 1986 (after
the amendment made by section 3001 (a)) shall be in-
creased by such number of percentage points as is necessary
to fully offset the aggregate reduction in Federal revenues
which result from amendments made by section 6001.

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