

116TH CONGRESS
1ST SESSION

H. R. 2481

To amend the Internal Revenue Code of 1986 to treat certain military survivor benefits as earned income for purposes of the kiddie tax.

IN THE HOUSE OF REPRESENTATIVES

MAY 2, 2019

Mrs. LURIA (for herself, Mr. BACON, Mr. HIGGINS of New York, Mr. DIAZ-BALART, Mr. KIND, Ms. HERRERA BEUTLER, Ms. MOORE, Mr. HOLDING, Mrs. MURPHY, Mr. MARCHANT, Mr. PANETTA, Mrs. WAGNER, Ms. SEWELL of Alabama, Mr. WALTZ, Mr. YARMUTH, and Mr. WENSTRUP) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to treat certain military survivor benefits as earned income for purposes of the kiddie tax.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Gold Star Family Tax
5 Relief Act”.

1 **SEC. 2. CERTAIN MILITARY SURVIVOR BENEFITS TREATED**
2 **AS EARNED INCOME FOR KIDDIE TAX.**

3 (a) **IN GENERAL.**—Section 1(g)(4) of the Internal
4 Revenue Code of 1986 is amended by adding at the end
5 the following new subparagraph:

6 “(D) **TREATMENT OF CERTAIN MILITARY**
7 **SURVIVOR BENEFITS.**—For purposes of this
8 subsection, any benefit under laws administered
9 by the Secretary of Defense or the Secretary of
10 Veterans Affairs which—

11 “(i) is received by a child by reason of
12 the child being the survivor of a deceased
13 member of the Armed Forces or of a de-
14 ceased veteran, and

15 “(ii) is included in the gross income of
16 such child,
17 shall be considered earned income of such
18 child.”.

19 (b) **EFFECTIVE DATE.**—The amendment made by
20 this section shall apply to taxable years beginning after
21 December 31, 2017.

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