

103D CONGRESS  
1ST SESSION

# S. 162

To amend the Internal Revenue Code of 1986 to allow Indian tribes to receive charitable contributions of inventory.

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IN THE SENATE OF THE UNITED STATES

JANUARY 21 (legislative day, JANUARY 5), 1993

Mr. DASCHLE introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to allow Indian tribes to receive charitable contributions of inventory.

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. CHARITABLE CONTRIBUTIONS OF INVENTORY**

4       **TO INDIAN TRIBES.**

5       (a) IN GENERAL.—Section 170(e)(3) of the Internal  
6 Revenue Code of 1986 (relating to a special rule for cer-  
7 tain contributions of inventory or other property) is  
8 amended by adding at the end the following new subpara-  
9 graph:

1                   “(D) SPECIAL RULE FOR INDIAN  
2                   TRIBES.—

3                   “(i) IN GENERAL.—An Indian tribe  
4                   (as defined in section 7871(c)(3)(E)(ii))  
5                   shall be treated as an organization eligible  
6                   to be a donee under subparagraph (A).

7                   “(ii) USE OF PROPERTY.—For pur-  
8                   poses of subparagraph (A)(i), if the use of  
9                   the property donated is related to the exer-  
10                   cise of an essential governmental function  
11                   of the Indian tribal government, such use  
12                   shall be treated as related to the purpose  
13                   or function constituting the basis for the  
14                   organization’s exemption.”.

15                   (b) EFFECTIVE DATE.—The amendment made by  
16                   subsection (a) shall apply to taxable years beginning after  
17                   December 31, 1992.

