

108TH CONGRESS  
1ST SESSION

# S. 235

To amend the Internal Revenue Code of 1986 to clarify the treatment of dependent care assistance programs sponsored by the Department of Defense for members of the Armed Forces of the United States.

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## IN THE SENATE OF THE UNITED STATES

JANUARY 29, 2003

Ms. LANDRIEU 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 clarify the treatment of dependent care assistance programs sponsored by the Department of Defense for members of the Armed Forces of the United States.

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. CLARIFICATION OF THE TREATMENT OF CER-**  
4                               **TAIN DEPENDENT CARE ASSISTANCE PRO-**  
5                               **GRAMS.**

6               (a) IN GENERAL.—Section 134(b) of the Internal  
7       Revenue Code of 1986 (defining qualified military benefit)

1 is amended by adding at the end the following new para-  
 2 graph:

3           “(4) CLARIFICATION OF CERTAIN BENEFITS.—  
 4       For purposes of paragraph (1), such term includes  
 5       any dependent care assistance program (as in effect  
 6       on the date of the enactment of this paragraph) for  
 7       any individual described in paragraph (1)(A).”.

8       (b) CONFORMING AMENDMENTS.—

9           (1) Section 134(b)(3)(A) of the Internal Rev-  
 10       enue Code of 1986 is amended by inserting “and  
 11       paragraph (4)” after “subparagraphs (B)”.

12          (2) Section 3121(a)(18) of such Code is amend-  
 13       ed by striking “or 129” and inserting “, 129, or  
 14       134(b)(4)”.

15          (3) Section 3306(b)(13) of such Code is amend-  
 16       ed by striking “or 129” and inserting “, 129, or  
 17       134(b)(4)”.

18          (4) Section 3401(a)(18) of such Code is amend-  
 19       ed by striking “or 129” and inserting “, 129, or  
 20       134(b)(4)”.

21       (c) EFFECTIVE DATE.—The amendments made by  
 22 this section shall apply to taxable years beginning after  
 23 December 31, 2001.

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