

113TH CONGRESS  
1ST SESSION

# H. R. 1840

To amend the Internal Revenue Code of 1986 to exclude from income and employment taxes real property tax abatements for seniors and disabled individuals in exchange for services.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 6, 2013

Ms. TSONGAS (for herself and Mr. NEAL) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to exclude from income and employment taxes real property tax abatements for seniors and disabled individuals in exchange for services.

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 “Senior and Retired  
5 Volunteers Act of 2013”.

1 **SEC. 2. EXCLUSION FROM INCOME AND EMPLOYMENT**  
2 **TAXES FOR REAL PROPERTY TAX ABATE-**  
3 **MENTS IN EXCHANGE FOR SERVICES.**

4 (a) INCOME TAXES.—

5 (1) IN GENERAL.—Part III of subchapter B of  
6 chapter 1 of the Internal Revenue Code of 1986 (re-  
7 lating to items specifically excluded from gross in-  
8 come) is amended by inserting after section 139D the  
9 following new section:

10 **“SEC. 139E. REAL PROPERTY TAX ABATEMENTS IN EX-**  
11 **CHANGE FOR SERVICES.**

12 “(a) IN GENERAL.—In the case of a qualified indi-  
13 vidual, gross income shall not include any real property  
14 tax abatement received under a State program, or a local  
15 program under specific authority of State law, in which  
16 the taxpayer receives such abatement in exchange for serv-  
17 ices.

18 “(b) QUALIFIED INDIVIDUAL.—For purposes of sub-  
19 section (a), the term ‘qualified individual’ means any indi-  
20 vidual who—

21 “(1) has attained age 60, or

22 “(2) is disabled (within the meaning of section  
23 72(m)(7)).”.

24 (2) CLERICAL AMENDMENT.—The table of sec-  
25 tions for part III of subchapter B of chapter 1 of

1 such Code is amended by inserting after the item re-  
2 lating to section 139D the following new item:

“Sec. 139E. Real property tax abatements in exchange for services.”.

3 (b) EMPLOYMENT TAXES.—

4 (1) IN GENERAL.—Paragraph (7) of section  
5 3121(b) of such Code is amended by striking “or”  
6 at the end of subparagraph (E), by inserting “or”  
7 at the end of subparagraph (F), and by inserting  
8 after subparagraph (F) the following:

9 “(G) service under a State program in  
10 which the taxpayer in exchange for services re-  
11 ceives an abatement of real property taxes  
12 which is excluded from income under section  
13 139E;”.

14 (2) CONFORMING AMENDMENTS TO SOCIAL SE-  
15 CURITY ACT.—Section 210(a)(7) of the Social Secu-  
16 rity Act (42 U.S.C. 410(a)(7)) is amended by strik-  
17 ing “or” at the end of subparagraph (E), by striking  
18 the period at the end of subparagraph (F) and in-  
19 serting “, or”, and by inserting after subparagraph  
20 (F) the following:

21 “(G) service under a State program in  
22 which the taxpayer in exchange for services re-  
23 ceives an abatement of real property taxes  
24 which is excluded from income under section  
25 139E of the Internal Revenue Code of 1986.”.

1 (c) EFFECTIVE DATES.—

2 (1) The amendments made by subsection (a)  
3 shall apply to taxable years beginning after Decem-  
4 ber 31, 2013.

5 (2) The amendments made by subsection (b)  
6 shall apply to service performed after December 31,  
7 2013.

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