

116TH CONGRESS
1ST SESSION

S. 2078

To amend the Internal Revenue Code of 1986 to treat Alaska Permanent Fund dividends as earned income for purposes of the kiddie tax.

IN THE SENATE OF THE UNITED STATES

JULY 10, 2019

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

A BILL

To amend the Internal Revenue Code of 1986 to treat Alaska Permanent Fund dividends 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. CERTAIN SCHOLARSHIPS TREATED AS EARNED**
4 **INCOME FOR KIDDIE TAX.**

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

8 “(D) TREATMENT OF ALASKA PERMANENT
9 FUND DIVIDENDS.—For purposes of this sub-
10 section, any Alaska Permanent Fund dividend

1 which is received by the child referred to in
2 paragraph (1) and included in the gross income
3 of such child shall be treated as earned income
4 of such child.”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 this section shall apply to taxable years beginning after
7 December 31, 2017.

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