

115TH CONGRESS  
2D SESSION

# S. 3504

To amend the Internal Revenue Code of 1986 to provide an exemption from gross income for civil damages as recompense for trafficking in persons.

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 26, 2018

Mr. CORNYN (for himself and Mr. WYDEN) 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 provide an exemption from gross income for civil damages as recompense for trafficking in persons.

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 “Human Trafficking  
5 Survivor Tax Relief Act”.

1 **SEC. 2. EXEMPTING FROM FEDERAL INCOME TAXATION**  
 2 **CIVIL DAMAGES AWARDED UNDER SECTION**  
 3 **1595 OF TITLE 18, UNITED STATES CODE.**

4 (a) **IN GENERAL.**—Part III of subchapter B of chap-  
 5 ter 1 of the Internal Revenue Code of 1986 is amended  
 6 by inserting before section 140 the following new section:

7 **“SEC. 139H. CERTAIN AMOUNT RECEIVED AS CIVIL DAM-**  
 8 **AGES AS RECOMPENSE FOR TRAFFICKING IN**  
 9 **PERSONS.**

10 “(a) **EXCLUSION FROM GROSS INCOME.**—Gross in-  
 11 come shall not include any civil damages, restitution, or  
 12 other monetary award (including compensatory or statu-  
 13 tory damages and restitution imposed in a criminal mat-  
 14 ter) awarded in an action under section 1595 of title 18,  
 15 United States Code.”.

16 (b) **CONFORMING AMENDMENT.**—The table of sec-  
 17 tions for part III of subchapter B of chapter 1 of the In-  
 18 ternal Revenue Code of 1986 is amended by inserting be-  
 19 fore the item relating to section 140 the following new  
 20 item:

“Sec. 139H. Certain amount received as civil damages as recompense for traf-  
 ficking in persons.”.

21 (c) **EFFECTIVE DATE.**—The amendments made by  
 22 this section shall apply to taxable years beginning after  
 23 the date of the enactment of this Act.

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