

109TH CONGRESS
2^D SESSION

S. 3826

To amend the Internal Revenue Code of 1986 to exclude from gross income military pay received by a member of a reserve component of the Armed Forces of the United States who is called to active duty.

IN THE SENATE OF THE UNITED STATES

AUGUST 3, 2006

Mr. MENENDEZ 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 exclude from gross income military pay received by a member of a reserve component of the Armed Forces of the United States who is called to active duty.

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 “Citizen Soldier Relief
5 Act of 2006”.

1 **SEC. 2. EXCLUSION FROM GROSS INCOME FOR MILITARY**
 2 **PAY RECEIVED BY A MEMBER OF A RESERVE**
 3 **COMPONENT OF THE ARMED FORCES OF THE**
 4 **UNITED STATES CALLED TO ACTIVE DUTY.**

5 (a) IN GENERAL.—Section 112 of the Internal Rev-
 6 enue Code of 1986 (relating to certain combat zone com-
 7 pensation of members of the Armed Services) is amended
 8 by adding at the end the following new subsection:

9 “(e) RESERVE COMPONENTS CALLED TO ACTIVE
 10 DUTY.—In the case of an individual—

11 “(1) who is called or ordered to active duty in
 12 the Armed Forces of the United States for a period
 13 in excess of 180 days or for an indefinite period, and

14 “(2) at the time so called or ordered is a mem-
 15 ber of a reserve component of the Armed Forces of
 16 the United States,

17 gross income shall not include military pay (as defined in
 18 section 101(21) of title 37, United States Code) received
 19 by such individual on account of such active duty service.”.

20 (b) CONFORMING AMENDMENTS.—

21 (1) The heading for section 112 of such Code
 22 is amended by inserting before the period “**;** **PAY OF**
 23 **MEMBERS OF RESERVE COMPONENTS OF SUCH**
 24 **ARMED FORCES CALLED TO ACTIVE DUTY**”.

25 (2) The item relating to section 112 in the table
 26 of sections for part III of subchapter B of chapter

1 1 of such Code is amended by inserting before the
2 period “; pay of members of reserve components of
3 such Armed Forces called to active duty”.

4 (3) Section 3401(a)(1) of such Code is amended
5 by inserting “; pay of members of reserve compo-
6 nents of such Armed Forces called to active duty”
7 after “United States”.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to taxable years beginning after
10 the date of the enactment of this Act.

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