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111TH CONGRESS
1ST SESSION

H. R. 945

To amend the Internal Revenue Code of 1986 to allow additional expenses for purposes of determining the Hope Scholarship Credit, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 10, 2009

Mr. BRADY of Texas (for himself and Mr. GENE GREEN of Texas) 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 allow additional expenses for purposes of determining the Hope Scholarship Credit, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Hope Scholarship Credit Expansion Act of 2009''.

SEC. 2. MODIFICATION OF HOPE SCHOLARSHIP CREDIT.

(a) ALLOWANCE OF ADDITIONAL EXPENSES.—Paragraph (1) of section 25A(f) of the Internal Revenue Code of 1986 (defining qualified tuition and related expenses)

is amended by adding at the end the following new subparagraph:

"(D) ADDITIONAL EXPENSES ALLOWED FOR HOPE SCHOLARSHIP CREDIT.—For purposes of the Hope Scholarship Credit, such term shall include—

"(i) costs incurred for room and board that are not in excess of the limitation imposed under section 529(e)(3)(B)(ii),

"(ii) at the election of the taxpayer, expenses which would be employment-related expenses (as defined in section 21(b)) if attendance at an eligible educational institution were treated as employment, and

"(iii) books, supplies, and equipment required for courses of instruction at the eligible educational institution.

No credit shall be allowed to the taxpayer under section 21 for the taxable year if the taxpayer elects the application of clause (ii) for such taxable year.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenses paid after December 31, 2008 (in taxable years ending after such date), for

education furnished in academic periods beginning after such date.

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