

88TH CONGRESS  
1ST SESSION

# H. R. 5192

IN THE HOUSE OF REPRESENTATIVES

MARCH 28, 1963

Mr. FOGARTY introduced the following bill; which was referred to the Committee on Ways and Means

## A BILL

To amend the Internal Revenue Code of 1954 to allow income tax deductions for certain payments to assist in providing higher education.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 That (a) part VII of subchapter 1 of the Internal Revenue  
4 Code of 1954 (relating to additional itemized deductions  
5 for individuals) is amended by redesignating section 217  
6 as section 218 and by inserting after 216 the following  
7 new section:

1 "SEC. 217. COLLEGE AND UNIVERSITY EXPENSES OF A  
2 TAXPAYER, HIS SPOUSE OR DEPENDENTS.

3 "(a) COLLEGE AND UNIVERSITY EXPENSES OF A  
4 TAXPAYER, HIS SPOUSE, OR DEPENDENTS.—In the case of  
5 an individual, there shall be allowed as a deduction any  
6 amount paid during the taxable year by a taxpayer for  
7 himself, his spouse, or for a dependent (as defined in sec-  
8 tion 152) —

9 "(1) to any institution of higher education as  
10 tuition and fees for the education of such taxpayer,  
11 spouse, or dependent as a student at a level above the  
12 twelfth grade,

13 "(2) for books and supplies the acquisition of  
14 which by the student is required by the institution for  
15 purposes of such education, and

16 "(3) if the student is living away from home for  
17 the purpose of attending such institution, the ordinary  
18 and necessary expenses for meals, lodging and travel.

19 "(b) LIMITATIONS.—The portion of any deduction al-  
20 lowed a taxpayer under subsection (a) which is attributable  
21 to amounts paid for—

22 "(1) any fee which is refundable, in whole or in  
23 part, to the student, shall, for the purposes of this sec-  
24 tion, be considered to be paid only when the amount of  
25 the refund, if any, payable to the student has been ascer-

1 tained, and the amount of such fee shall be the amount  
2 paid less the amount refunded,

3 “(2) meals, lodging, and travel of any one indi-  
4 vidual for any taxable year shall not exceed \$1,000,

5 “(3) tuition and fees for any one individual for any  
6 taxable year shall not exceed \$800.”

7 “(c) REDUCTION FOR CERTAIN SCHOLARSHIPS AND  
8 VETERANS’ BENEFITS.—The amount otherwise allowable

9 as a deduction under subsection (a) on account of amounts  
10 paid by the taxpayer shall be reduced by any amounts re-  
11 ceived by the student during the taxable year as—

12 “(1) a scholarship or fellowship grant (within the  
13 meaning of section 117 (a) (1) ) which section 117 is  
14 not includible in gross income, and

15 “(2) education and training allowance under chap-  
16 ter 33 of title 38 of the United States Code or educa-  
17 tional assistance allowance under chapter 35 of such  
18 title.

19 “(d) DEFINITIONS.—For the purposes of this section—

20 “(1) The term ‘student’ has the meaning assigned  
21 to it by section 151 (a) (4).

22 “(2) The term ‘institution of higher education’  
23 means an educational institution in any State which—

24 “(A) admits as regular students only individ-  
25 uals having a certificate of graduation from a high

1 school, or the recognized equivalent of such a  
2 certificate;

3 “(B) is legally authorized within such State  
4 to provide a program of education beyond high  
5 school;

6 “(C) provides an educational program for  
7 which it awards a bachelor’s degree, or provides not  
8 less than a two-year program which is acceptable  
9 for full credit toward such a degree;

10 “(D) is a public or other nonprofit institution;  
11 — and

12 “(E) is accredited by a nationally recognized  
13 accrediting agency or association listed or hereafter  
14 designated by the Commissioner or, if not so ac-  
15 credited, is an institution whose credits are accepted,  
16 on transfer, by not less than three institutions which  
17 are so accredited, for credit on the same basis as  
18 if transferred from an institution so accredited.

19 “(3) The term ‘State’ includes, in addition to the  
20 several States, the District of Columbia, the Common-  
21 wealth of Puerto Rico, the Virgin Islands, Guam, and  
22 American Samoa.

23 SEC. 2. The table of sections for part VII of sub-

1 chapter B of chapter 1 of such Code is amended by striking  
2 out

“Sec. 217. Cross references.”

3 and inserting in lieu thereof

“Sec. 217. College and university expenses of a taxpayer,  
spouse, or dependents.

“Sec. 218. Cross references.”

4 SEC. 3. The amendments made by this Act shall apply  
5 only to taxable years beginning after December 31, 1962.

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By Mr. FOGARTY

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