

113TH CONGRESS
1ST SESSION

H. R. 1643

To amend the Internal Revenue Code of 1986 to allow penalty-free withdrawals from the Federal Thrift Savings Fund to employees who are furloughed as a result of the Federal budget sequester.

IN THE HOUSE OF REPRESENTATIVES

APRIL 18, 2013

Mr. KILMER (for himself and Ms. HANABUSA) introduced the following bill;
which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow penalty-free withdrawals from the Federal Thrift Savings Fund to employees who are furloughed as a result of the Federal budget sequester.

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 “Employee Hardship
5 Financial Relief Act of 2013”.

1 **SEC. 2. PENALTY-FREE WITHDRAWALS FROM THRIFT SAV-**
2 **INGS FUND TO FEDERAL EMPLOYEES FUR-**
3 **LOUGHED AS A RESULT OF SEQUESTER.**

4 (a) IN GENERAL.—Paragraph (2) of section 72(t) of
5 the Internal Revenue Code of 1986 (relating to subsection
6 not to apply to certain distributions) is amended by adding
7 at the end the following new subparagraph:

8 “(H) DISTRIBUTIONS FROM THRIFT SAV-
9 INGS FUND TO FURLOUGHED FEDERAL EM-
10 PLOYEES.—Distributions to an individual from
11 the Thrift Savings Fund during the period—

12 “(i) beginning on the date that the in-
13 dividual is furloughed (as defined in sec-
14 tion 7811(a)(5) of title 5, United States
15 Code) because of lack of funds, and

16 “(ii) ending on the date which is 30
17 days after such furlough ceases for such
18 individual,

19 but only to the extent that the aggregate such
20 distributions with respect to any furlough does
21 not exceed the aggregate reduction in such indi-
22 vidual’s compensation on account of such fur-
23 lough.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to distributions after the date of
3 the enactment of this Act.

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