

114TH CONGRESS  
1ST SESSION

# H. R. 3086

To amend the Internal Revenue Code of 1986 to provide tax benefits to individuals who have been wrongfully incarcerated.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 16, 2015

Mr. SAM JOHNSON of Texas (for himself and Mr. LARSON of Connecticut) 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 provide tax benefits to individuals who have been wrongfully incarcerated.

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 “Wrongful Convictions  
5 Tax Relief Act of 2015”.

1 **SEC. 2. EXCLUSION FOR WRONGFULLY INCARCERATED IN-**  
2 **DIVIDUALS.**

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

6 **“SEC. 139F. CERTAIN AMOUNTS RECEIVED BY WRONG-**  
7 **FULLY INCARCERATED INDIVIDUALS.**

8 “(a) EXCLUSION FROM GROSS INCOME.—In the case  
9 of any wrongfully incarcerated individual, gross income  
10 shall not include any civil damages, restitution, or other  
11 monetary award (including compensatory or statutory  
12 damages and restitution imposed in a criminal matter) re-  
13 lating to the incarceration of such individual for the cov-  
14 ered offense for which such individual was convicted.

15 “(b) WRONGFULLY INCARCERATED INDIVIDUAL.—  
16 For purposes of this section, the term ‘wrongfully incar-  
17 cerated individual’ means an individual—

18 “(1) who was convicted of a covered offense,

19 “(2) who served all or part of a sentence of im-  
20 prisonment relating to that covered offense, and

21 “(3)(A) who was pardoned, granted clemency,  
22 or granted amnesty for that covered offense because  
23 that individual was innocent of that covered offense,  
24 or

25 “(B)(i) for whom the judgment of conviction for  
26 that covered offense was reversed or vacated, and

1           “(ii) for whom the indictment, information, or  
2           other accusatory instrument for that covered offense  
3           was dismissed or who was found not guilty at a new  
4           trial after the judgment of conviction for that cov-  
5           ered offense was reversed or vacated.

6           “(c) COVERED OFFENSE.—For purposes of this sec-  
7           tion, the term ‘covered offense’ means any criminal offense  
8           under Federal or State law, and includes any criminal of-  
9           fense arising from the same course of conduct as that  
10          criminal offense.”.

11          (b) CONFORMING AMENDMENT.—The table of sec-  
12          tions for part III of subchapter B of chapter 1 of such  
13          Code is amended by inserting after the item relating to  
14          section 139E the following new item:

          “Sec. 139F. Certain amounts received by wrongfully incarcerated individuals.”.

15          (c) EFFECTIVE DATE.—The amendments made by  
16          this section shall apply to taxable years beginning before,  
17          on, or after the date of the enactment of this Act.

18          (d) WAIVER OF LIMITATIONS.—If the credit or re-  
19          fund of any overpayment of tax resulting from the applica-  
20          tion of this Act to a period before the date of enactment  
21          of this Act is prevented as of such date by the operation  
22          of any law or rule of law (including res judicata), such  
23          credit or refund may nevertheless be allowed or made if

- 1 the claim therefor is filed before the close of the 1-year
- 2 period beginning on the date of the enactment of this Act.

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