

112TH CONGRESS
2^D SESSION

H. R. 4279

To amend the Internal Revenue Code of 1986 to waive the 10 percent early distribution penalty with respect to withdrawals by unemployed veterans from certain retirement accounts.

IN THE HOUSE OF REPRESENTATIVES

MARCH 28, 2012

Mr. YOUNG of Indiana (for himself, Mr. HULTGREN, and Mr. LATTA) 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 waive the 10 percent early distribution penalty with respect to withdrawals by unemployed veterans from certain retirement accounts.

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 “Veteran Self Relief
5 Act of 2012”.

1 **SEC. 2. CERTAIN DISTRIBUTIONS FROM RETIREMENT AC-**
2 **COUNTS OF UNEMPLOYED VETERANS NOT**
3 **SUBJECT TO 10 PERCENT PENALTY.**

4 (a) IN GENERAL.—Paragraph (2) of section 72(t) of
5 the Internal Revenue Code of 1986 is amended by adding
6 at the end the following new subparagraph:

7 “(H) CERTAIN DISTRIBUTIONS TO UNEM-
8 PLOYED VETERANS.—Any qualified unemployed
9 veteran distribution.”.

10 (b) DEFINITIONS.—Subsection (t) of section 72 of
11 such Code is amended by adding at the end the following
12 new paragraph:

13 “(11) QUALIFIED UNEMPLOYED VETERAN DIS-
14 TRIBUTION.—For purposes of this paragraph and
15 paragraph (2)(H)—

16 “(A) QUALIFIED UNEMPLOYED VETERAN
17 DISTRIBUTION.—The term ‘qualified unem-
18 ployed veteran distribution’ means any distribu-
19 tion to a veteran (as defined in section 101 of
20 title 38, United States Code) from a specified
21 account if such distribution is made during a
22 qualified unemployment-related distribution pe-
23 riod.

24 “(B) SPECIFIED ACCOUNT.—The term
25 ‘specified account’ means—

1 “(i) any individual retirement account
2 of the veteran, and

3 “(ii) the Thrift Savings Fund estab-
4 lished under section 8437 of title 5, United
5 States Code.

6 “(C) QUALIFIED UNEMPLOYMENT-RE-
7 LATED DISTRIBUTION PERIOD.—

8 “(i) IN GENERAL.—The term ‘quali-
9 fied unemployment-related distribution pe-
10 riod’ means so much of any qualified un-
11 employment period as is after the 12 con-
12 secutive weeks referred to in clause (ii)(I).

13 “(ii) QUALIFIED UNEMPLOYMENT PE-
14 RIOD.—The term ‘qualified unemployment
15 period’ means, with respect to any veteran,
16 any uninterrupted period of unemployment
17 if—

18 “(I) such veteran receives unem-
19 ployment compensation for 12 con-
20 secutive weeks under any Federal or
21 State unemployment compensation
22 law during such uninterrupted period,
23 and

24 “(II) such uninterrupted period
25 begins during the 1-year period begin-

1 ning on the date of such veteran's dis-
2 charge or release which is referred to
3 in section 101 of title 38, United
4 States Code, with respect to such vet-
5 eran.".

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to distributions made after the
8 date of the enactment of this Act.

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