

115TH CONGRESS
2D SESSION

S. 2860

To amend the Internal Revenue Code of 1986 to allow first responders to continue to exclude service-connected disability pension payments after reaching the age of retirement.

IN THE SENATE OF THE UNITED STATES

MAY 16, 2018

Mr. DAINES (for himself, Mr. COONS, Mr. CASEY, and Mr. TESTER) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow first responders to continue to exclude service-connected disability pension payments after reaching the age of retirement.

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 “Putting First-Re-
5 sponders First Act”.

1 **SEC. 2. CONTINUED EXCLUSION OF FIRST RESPONDER**
 2 **SERVICE-CONNECTED DISABILITY PAYMENTS**
 3 **AFTER AGE OF RETIREMENT.**

4 (a) IN GENERAL.—Section 104 of the Internal Rev-
 5 enue Code of 1986 is amended by redesignating subsection
 6 (d) as subsection (e) and by inserting after subsection (c)
 7 the following new subsection:

8 “(d) SPECIAL RULE FOR FIRST RESPONDER SERV-
 9 ICE-CONNECTED DISABILITY PAYMENTS AFTER AGE OF
 10 RETIREMENT.—

11 “(1) IN GENERAL.—In the case of an individual
 12 who receives a service-connected disability excludible
 13 amount, gross income shall not include such amount
 14 of any retirement pension or annuity which—

15 “(A) is received by such individual with re-
 16 spect to the service to which the service-con-
 17 nected disability excludible amount relates,

18 “(B) is determined by reference to the in-
 19 dividual’s age, length of service, or contribu-
 20 tions, and

21 “(C) does not exceed the service-connected
 22 disability excludable amount (determined on an
 23 annualized basis under such regulations or
 24 other guidance as the Secretary may prescribe).

25 “(2) SERVICE-CONNECTED DISABILITY EXCLUD-
 26 IBLE AMOUNT.—For purposes of this subsection, the

1 term ‘service-connected disability excludible amount’
2 means an amount received by an individual which
3 ceases upon reaching retirement age and is not in-
4 cludible in gross income under subsection (a)(1) by
5 reason of a service-connected disability as a law en-
6 forcement officer (as such term is defined in section
7 1204 of the Omnibus Crime Control and Safe
8 Streets Act of 1968), an employee in fire protection
9 activities (as such term is defined in section 3(y) of
10 the Fair Labor Standards Act of 1938), or an indi-
11 vidual who provides out-of-hospital emergency med-
12 ical care (including emergency medical technician,
13 paramedic, or first-responder).”.

14 (b) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to taxable years beginning after
16 the date of the enactment of this Act.

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