

119TH CONGRESS
2D SESSION

S. _____

To amend the Internal Revenue Code of 1986 to extend the time period for the contribution of military death benefits to Roth IRAs and Coverdell education savings accounts.

IN THE SENATE OF THE UNITED STATES

Mr. BLUMENTHAL (for himself and Mr. SHEEHY) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To amend the Internal Revenue Code of 1986 to extend the time period for the contribution of military death benefits to Roth IRAs and Coverdell education savings 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 “GRACE for Military
5 Survivors Act”.

1 **SEC. 2. EXTENSION OF TIME PERIOD FOR CONTRIBUTION**
2 **OF MILITARY DEATH BENEFITS TO ROTH**
3 **IRAS AND COVERDELL EDUCATION SAVINGS**
4 **ACCOUNTS.**

5 (a) IN GENERAL.—Sections 408A(e)(2)(A) and
6 530(d)(9)(A) of the Internal Revenue Code of 1986 are
7 each amended by striking “1-year period” and inserting
8 “3-year period”.

9 (b) EFFECTIVE DATES.—

10 (1) IN GENERAL.—Except as provided by para-
11 graph (2), the amendments made by this section
12 shall apply to amounts received under section 1477
13 of title 10, United States Code, or section 1967 of
14 title 38 of such Code, on or after the date of the en-
15 actment of this Act.

16 (2) APPLICATION OF AMENDMENTS TO
17 AMOUNTS RECEIVED BETWEEN OCTOBER 7, 2001
18 AND BEFORE ENACTMENT.—The amendments made
19 by this section shall apply to any contribution made
20 pursuant to section 408A(e)(2)(A) or 530(d)(5) of
21 the Internal Revenue Code of 1986, as amended by
22 this Act, with respect to amounts received under sec-
23 tion 1477 of title 10, United States Code, or section
24 1967 of title 38 of such Code, on or after October
25 7, 2001, and before the date of the enactment of

1 this Act, if such contribution is made before the
2 later of—

3 (A) the date which is 3 years after the
4 date on which such amounts were so received,
5 or

6 (B) the date which is 1 year after the date
7 of the enactment of this Act.