

1 (2) NET DISASTER LOSS.—For purposes of this
2 subsection, the term “net disaster loss” means the
3 excess of qualified disaster-related personal casualty
4 losses over personal casualty gains (as defined in
5 section 165(h)(3)(A) of the Internal Revenue Code
6 of 1986).

7 (3) QUALIFIED DISASTER-RELATED PERSONAL
8 CASUALTY LOSSES.—For purposes of this para-
9 graph, the term “qualified disaster-related personal
10 casualty losses” means losses described in section
11 165(c)(3) of the Internal Revenue Code of 1986
12 which arise in a disaster area described in subsection
13 (a) on or after January 1, 2016, and which are at-
14 tributable to the events giving rise to the Presi-
15 dential declaration described in subsection (a) which
16 was applicable to such area.

17 **PART IV—EDUCATION**

18 **SEC. 11031. TREATMENT OF STUDENT LOANS DISCHARGED**

19 **ON ACCOUNT OF DEATH OR DISABILITY.**

20 (a) IN GENERAL.—Section 108(f) is amended by
21 adding at the end the following new paragraph:

22 “(5) DISCHARGES ON ACCOUNT OF DEATH OR
23 DISABILITY.—

24 “(A) IN GENERAL.—In the case of an indi-
25 vidual, gross income does not include any

1 amount which (but for this subsection) would
2 be includible in gross income for such taxable
3 year by reasons of the discharge (in whole or in
4 part) of any loan described in subparagraph
5 (B) after December 31, 2017, and before Janu-
6 ary 1, 2026, if such discharge was—

7 “(i) pursuant to subsection (a) or (d)
8 of section 437 of the Higher Education
9 Act of 1965 or the parallel benefit under
10 part D of title IV of such Act (relating to
11 the repayment of loan liability),

12 “(ii) pursuant to section 464(c)(1)(F)
13 of such Act, or

14 “(iii) otherwise discharged on account
15 of the death or total and permanent dis-
16 ability of the student.

17 “(B) LOANS DESCRIBED.—A loan is de-
18 scribed in this subparagraph if such loan is—

19 “(i) a student loan (as defined in
20 paragraph (2)), or

21 “(ii) a private education loan (as de-
22 fined in section 140(7) of the Consumer
23 Credit Protection Act (15 U.S.C.
24 1650(7))).”.