

26 USC 911.

(2) **CONFORMING AMENDMENT.**—Subsection (f) of section 911 (relating to cross references) is redesignated as subsection (e).  
 (e) **REMOVAL OF REQUIREMENT AS TO PLACE OF RECEIPT.**—Paragraph (8) of section 911(c) (relating to requirement as to place of receipt) is hereby repealed.

(f) **CLERICAL AMENDMENTS.**—

(1) The section heading for section 911 is amended to read as follows:

**“SEC. 911. INCOME EARNED BY INDIVIDUALS IN CERTAIN CAMPS.”**

(2) The table of sections for subpart B of part III of subchapter N of chapter 1 is amended by striking out the item relating to section 911 and inserting in lieu thereof the following:

“Sec. 911. Income earned by individuals in certain camps.”

26 USC 911.

(3) The heading of subpart B of part III of subchapter N of chapter 1 is amended by striking out “Citizens” and inserting in lieu thereof “Citizens or Residents”.

26 USC 901.

(4) The table of subparts for part III of subchapter N of chapter 1 is amended by striking out “citizens” in the item relating to subpart B and inserting in lieu thereof “citizens or residents”.

26 USC 43,  
1302, 1304,  
1402, 6012,  
6091.

(5) Sections 43(c)(1)(B), 1302(b)(2)(A)(i), 1304(b)(1), 1402(a)(8), 6012(c), and 6091(b)(1)(B)(iii) are each amended by striking out “relating to earned income from sources without the United States” and inserting in lieu thereof “relating to income earned by employees in certain camps”.

**SEC. 203. DEDUCTION FOR CERTAIN EXPENSES OF LIVING ABROAD.**

26 USC 911.

(a) **ALLOWANCE OF DEDUCTION.**—Subpart B of part III of subchapter N of chapter 1 (relating to earned income of citizens and residents of United States) is amended by adding at the end thereof the following new section:

26 USC 913.

**“SEC. 913. DEDUCTION FOR CERTAIN EXPENSES OF LIVING ABROAD.**

“(a) **ALLOWANCE OF DEDUCTION.**—In the case of an individual who is—

“(1) **BONA FIDE RESIDENT OF FOREIGN COUNTRY.**—A citizen of the United States and who establishes to the satisfaction of the Secretary that he has been a bona fide resident of a foreign country or countries for an uninterrupted period which includes an entire taxable year, or

“(2) **PRESENCE IN FOREIGN COUNTRY FOR 17 MONTHS.**—A citizen or resident of the United States and who during any period of 18 consecutive months is present in a foreign country or countries during at least 510 full days in such period,

there shall be allowed as a deduction for such taxable year or for any taxable year which contains part of such period, the sum of the amounts set forth in subsection (b).

“(b) **AMOUNTS.**—The amounts referred to in this subsection are:

“(1) The qualified cost-of-living differential.

“(2) The qualified housing expenses.

“(3) The qualified schooling expenses.

“(4) The qualified home leave travel expenses.

“(5) The qualified hardship area deduction.

“(c) **DEDUCTION NOT TO EXCEED NET FOREIGN SOURCE EARNED INCOME.**—

“(1) **IN GENERAL.**—The deduction allowed by subsection (a) to any individual for the taxable year shall not exceed—

“(A) such individual’s earned income from sources outside the United States for the portion of the taxable year in