

## **Sec. 134. Certain military benefits**

**(a) GENERAL RULE**—Gross income shall not include any qualified military benefit.

**(b) QUALIFIED MILITARY BENEFIT**

For purposes of this section—

**(1) IN GENERAL**—The term "qualified military benefit" means any allowance or in-kind benefit (other than personal use of a vehicle) which—

**(A)** is received by any member or former member of the uniformed services of the United States or any dependent of such member by reason of such member's status or service as a member of such uniformed services, and

**(B)** was excludable from gross income on September 9, 1986, under any provision of law, regulation, or administrative practice which was in effect on such date (other than a provision of this title).

**(2) NO OTHER BENEFIT TO BE EXCLUDABLE EXCEPT AS PROVIDED BY THIS TITLE**—  
Notwithstanding any other provision of law, no benefit shall be treated as a qualified military benefit unless such benefit—

**(A)** is a benefit described in paragraph (1), or

**(B)** is excludable from gross income under this title without regard to any provision of law which is not contained in this title and which is not contained in a revenue Act.

**(3) LIMITATIONS ON MODIFICATIONS**

**(A) IN GENERAL**—Except as provided in subparagraph (B), no modification or adjustment of any qualified military benefit after September 9, 1986, shall be taken into account.

**(B) EXCEPTION FOR CERTAIN ADJUSTMENTS TO CASH BENEFITS**—Subparagraph (A) shall not apply to any adjustment to any qualified military benefit payable in cash which—

**(i)** is pursuant to a provision of law or regulation (as in effect on September 9, 1986), and

**(ii)** is determined by reference to any fluctuation in cost, price, currency, or other similar index.