

**(1) In general**

A bond of a volunteer fire department shall be treated as a bond of a political subdivision of a State if—

(A) such department is a qualified volunteer fire department with respect to an area within the jurisdiction of such political subdivision, and

(B) such bond is issued as part of an issue 95 percent or more of the net proceeds of which are to be used for the acquisition, construction, reconstruction, or improvement of a firehouse (including land which is functionally related and subordinate thereto) or firetruck used or to be used by such department.

**(2) Qualified volunteer fire department**

For purposes of this subsection, the term “qualified volunteer fire department” means, with respect to a political subdivision of a State, any organization—

(A) which is organized and operated to provide firefighting or emergency medical services for persons in an area (within the jurisdiction of such political subdivision) which is not provided with any other firefighting services, and

(B) which is required (by written agreement) by the political subdivision to furnish firefighting services in such area.

For purposes of subparagraph (A), other firefighting services provided in an area shall be disregarded in determining whether an organization is a qualified volunteer fire department if such other firefighting services are provided by a qualified volunteer fire department (determined with the application of this sentence) and such organization and the provider of such other services have been continuously providing firefighting services to such area since January 1, 1981.

**(3) Treatment as private activity bonds only for certain purposes**

Bonds which are part of an issue which meets the requirements of paragraph (1) shall not be treated as private activity bonds except for purposes of sections 147(f) and 149(d).

(Added Pub. L. 99-514, title XIII, § 1301(b), Oct. 22, 1986, 100 Stat. 2651; amended Pub. L. 100-647, title I, § 1013(a)(23), (24)(A), (30)–(33), title VI, § 6182(a), (b), Nov. 10, 1988, 102 Stat. 3542, 3543, 3729; Pub. L. 104-188, title I, § 1614(a), Aug. 20, 1996, 110 Stat. 1851.)

**REFERENCES IN TEXT**

The Higher Education Act of 1965, referred to in subsec. (d)(2)(A), (3)(F)(i), is Pub. L. 89-329, Nov. 8, 1965, 79 Stat. 1219, which is classified generally to chapter 28 (§ 1001 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Tables.

**AMENDMENTS**

1996—Subsec. (d)(3). Pub. L. 104-188 added par. (3).

1988—Subsec. (b)(1)(A). Pub. L. 100-647, § 1013(a)(23)(C), inserted “tax-exempt” before “qualified mortgage bond”.

Pub. L. 100-647, § 1013(a)(30), inserted before period at end “and before the date such residence is again the principal residence of at least 1 of the mortgagors who received such financing”.

Subsec. (b)(2). Pub. L. 100-647, § 1013(a)(32), inserted at end “If the provisions of prior law corresponding to section 142(d) apply to a refunded bond, such provisions shall apply (in lieu of section 142(d)) to the refunding bond.”

Subsec. (b)(2)(A). Pub. L. 100-647, § 1013(a)(31), substituted “described in paragraph” for “described paragraph”.

Subsec. (b)(4). Pub. L. 100-647, § 1013(a)(23)(A), (B), inserted “and small issue bonds” after “bonds” in heading, and “or a qualified small issue bond” before period at end of subpar. (B).

Subsec. (b)(6). Pub. L. 100-647, § 1013(a)(33), added par. (6).

Subsec. (e)(1)(B). Pub. L. 100-647, § 6182(b), inserted “(including land which is functionally related and subordinate thereto)” after “a firehouse”.

Subsec. (e)(2). Pub. L. 100-647, § 6182(a), inserted at end “For purposes of subparagraph (A), other firefighting services provided in an area shall be disregarded in determining whether an organization is a qualified volunteer fire department if such other firefighting services are provided by a qualified volunteer fire department (determined with the application of this sentence) and such organization and the provider of such other services have been continuously providing firefighting services to such area since January 1, 1981.”

Subsec. (e)(3). Pub. L. 100-647, § 1013(a)(24)(A), added par. (3).

**EFFECTIVE DATE OF 1996 AMENDMENT**

Pub. L. 104-188, title I, § 1614(b), Aug. 20, 1996, 110 Stat. 1853, provided that: “The amendment made by this section [amending this section] shall take effect on the date of the enactment of this Act [Aug. 20, 1996].”

**EFFECTIVE DATE OF 1988 AMENDMENT**

Pub. L. 100-647, title I, § 1013(a)(24)(B), Nov. 10, 1988, 102 Stat. 3543, provided that: “The amendment made by subparagraph (A) [amending this section] shall apply to bonds issued after October 21, 1988.”

Amendment by section 1013(a)(23), (30)–(33) of Pub. L. 100-647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99-514, to which such amendment relates, see section 1019(a) of Pub. L. 100-647, set out as a note under section 1 of this title.

Pub. L. 100-647, title VI, § 6182(c), Nov. 10, 1988, 102 Stat. 3729, provided that: “The amendments made by this section [amending this section] shall apply to bonds issued after the date of the enactment of this Act [Nov. 10, 1988].”

**EFFECTIVE DATE**

Section applicable to bonds issued after Aug. 15, 1986, except as otherwise provided, with subsec. (b) applicable to changes in use (and ownership) after Aug. 15, 1986, but only with respect to financing (including refinancings) provided after such date, and with subsec. (d) applicable to payments made after Aug. 15, 1986, see sections 1311 to 1318 of Pub. L. 99-514, as amended, set out as an Effective Date; Transitional Rules note under section 141 of this title.

**PART V—DEDUCTIONS FOR PERSONAL EXEMPTIONS**

Sec.	
151.	Allowance of deductions for personal exemptions.
152.	Dependent defined.
153.	Cross references.

**AMENDMENTS**

1976—Pub. L. 94-455, title XIX, § 1901(b)(7)(A)(ii), Oct. 4, 1976, 90 Stat. 1794, redesignated item 154 as 153 and struck out former item 153 “Determination of marital status”.

**§ 151. Allowance of deductions for personal exemptions**

**(a) Allowance of deductions**

In the case of an individual, the exemptions provided by this section shall be allowed as deductions in computing taxable income.

**(b) Taxpayer and spouse**

An exemption of the exemption amount for the taxpayer; and an additional exemption of the exemption amount for the spouse of the taxpayer if a joint return is not made by the taxpayer and his spouse, and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

**(c) Additional exemption for dependents**

An exemption of the exemption amount for each individual who is a dependent (as defined in section 152) of the taxpayer for the taxable year.

**(d) Exemption amount**

For purposes of this section—

**(1) In general**

Except as otherwise provided in this subsection, the term “exemption amount” means \$2,000.

**(2) Exemption amount disallowed in case of certain dependents**

In the case of an individual with respect to whom a deduction under this section is allowable to another taxpayer for a taxable year beginning in the calendar year in which the individual’s taxable year begins, the exemption amount applicable to such individual for such individual’s taxable year shall be zero.

**(3) Phaseout**

**(A) In general**

In the case of any taxpayer whose adjusted gross income for the taxable year exceeds the applicable amount in effect under section 68(b), the exemption amount shall be reduced by the applicable percentage.

**(B) Applicable percentage**

For purposes of subparagraph (A), the term “applicable percentage” means 2 percentage points for each \$2,500 (or fraction thereof) by which the taxpayer’s adjusted gross income for the taxable year exceeds the applicable amount in effect under section 68(b). In the case of a married individual filing a separate return, the preceding sentence shall be applied by substituting “\$1,250” for “\$2,500”. In no event shall the applicable percentage exceed 100 percent.

**(C) Coordination with other provisions**

The provisions of this paragraph shall not apply for purposes of determining whether a deduction under this section with respect to any individual is allowable to another taxpayer for any taxable year.

**(4) Inflation adjustment**

Except as provided in paragraph (5), in the case of any taxable year beginning in a calendar year after 1989, the dollar amount contained in paragraph (1) shall be increased by an amount equal to—

(A) such dollar amount, multiplied by

(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting “calendar year 1988” for “calendar year 2016” in subparagraph (A)(ii) thereof.

**(5) Special rules for taxable years 2018 through 2025**

In the case of a taxable year beginning after December 31, 2017, and before January 1, 2026—

**(A) Exemption amount**

The term “exemption amount” means zero.

**(B) References**

For purposes of any other provision of this title, the reduction of the exemption amount to zero under subparagraph (A) shall not be taken into account in determining whether a deduction is allowed or allowable, or whether a taxpayer is entitled to a deduction, under this section.

**(e) Identifying information required**

No exemption shall be allowed under this section with respect to any individual unless the TIN of such individual is included on the return claiming the exemption.

(Aug. 16, 1954, ch. 736, 68A Stat. 42; Pub. L. 91–172, title VIII, §801(a)(1), (b)(1), (c)(1), (d)(1), title IX, §941(b), Dec. 30, 1969, 83 Stat. 675, 676, 726; Pub. L. 92–178, title II, §201(a)(1), (b)(1), (c), Dec. 10, 1971, 85 Stat. 510, 511; Pub. L. 94–455, title XIX, §1901(a)(23), Oct. 4, 1976, 90 Stat. 1767; Pub. L. 95–600, title I, §102(a), Nov. 6, 1978, 92 Stat. 2771; Pub. L. 97–34, title I, §104(c), Aug. 13, 1981, 95 Stat. 189; Pub. L. 98–369, div. A, title IV, §426(a), July 18, 1984, 98 Stat. 804; Pub. L. 99–514, title I, §103, title XVIII, §1847(b)(3), Oct. 22, 1986, 100 Stat. 2102, 2856; Pub. L. 100–647, title VI, §6010(a), Nov. 10, 1988, 102 Stat. 3691; Pub. L. 101–508, title XI, §§11101(d)(1)(F), 11104(a), Nov. 5, 1990, 104 Stat. 1388–405, 1388–407; Pub. L. 102–318, title V, §511, July 3, 1992, 106 Stat. 300; Pub. L. 103–66, title XIII, §§13201(b)(3)(G), 13205, Aug. 10, 1993, 107 Stat. 459, 462; Pub. L. 104–188, title I, §§1615(a)(1), 1702(a)(2), Aug. 20, 1996, 110 Stat. 1853, 1868; Pub. L. 106–554, §1(a)(7) [title III, §306(a)], Dec. 21, 2000, 114 Stat. 2763, 2763A–634; Pub. L. 107–16, title I, §102(a), June 7, 2001, 115 Stat. 44; Pub. L. 107–147, title IV, §§412(b), 417(6), Mar. 9, 2002, 116 Stat. 53, 56; Pub. L. 108–311, title II, §206, Oct. 4, 2004, 118 Stat. 1176; Pub. L. 112–240, title I, §101(b)(2)(B), Jan. 2, 2013, 126 Stat. 2317; Pub. L. 115–97, title I, §§11002(d)(1)(Q), 11041(a), Dec. 22, 2017, 131 Stat. 2060, 2082.)

**INFLATION ADJUSTED ITEMS FOR CERTAIN YEARS**

*For inflation adjustment of certain items in this section, see Revenue Procedures listed in a table under section 1 of this title.*

**AMENDMENTS**

2017—Subsec. (d)(4). Pub. L. 115–97, §11041(a)(1), substituted “Except as provided in paragraph (5), in the case of” for “In the case of” in introductory provisions.

Subsec. (d)(4)(B). Pub. L. 115–97, §11002(d)(1)(Q), substituted “for ‘calendar year 2016’ in subparagraph (A)(ii)” for “for ‘calendar year 1992’ in subparagraph (B)”.