

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2090

To amend the Internal Revenue Code of 1986 to exclude tips from gross income.

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IN THE HOUSE OF REPRESENTATIVES

MAY 12, 1993

Mr. CRANE introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to exclude tips from gross income.

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. EXCLUSION OF TIPS FROM GROSS INCOME.**

4 (a) IN GENERAL.—Part III of subchapter B of chap-  
5 ter 1 of the Internal Revenue Code of 1986 (relating to  
6 items specifically excluded from gross income) is amended  
7 by redesignating section 137 as section 138 and by insert-  
8 ing after section 136 the following new section:

1 **“SEC. 137. TIPS.**

2 “(a) IN GENERAL.—Gross income shall not include  
3 tips.

4 “(b) REGULATIONS PRESCRIBED BY THE SEC-  
5 RETARY.—The Secretary shall prescribe such regulations  
6 as may be necessary to carry out the purposes of this sec-  
7 tion.”

8 (b) TECHNICAL AND CONFORMING AMENDMENTS.—  
9 The Secretary of the Treasury shall, within 90 days after  
10 the date of the enactment of this Act, submit to the Com-  
11 mittee on Ways and Means recommendations for technical  
12 and conforming amendments to the Internal Revenue  
13 Code of 1986 which the Secretary of the Treasury consid-  
14 ers appropriate as a result of the amendments made by  
15 subsection (a).

16 (c) CLERICAL AMENDMENTS.—The table of sections  
17 for part III of subchapter B of chapter 1 of such Code  
18 is amended by striking out the item relating to section  
19 137 and by inserting in lieu thereof the following:

“Sec. 137. Tips.

“Sec. 138. Cross references to other Acts.”

20 **SEC. 2. EFFECTIVE DATE.**

21 The amendments made by section 1 shall apply to  
22 tips received after the date of the enactment of this Act.

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