

105TH CONGRESS  
1ST SESSION

# H. R. 2462

To amend the Internal Revenue Code of 1986 to allow the taxable income of each spouse of a married couple to be taxed using either the rates applicable to single filers or the rates applicable to joint returns.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 11, 1997

Mr. KASICH (for himself, Mr. FRANKS of New Jersey, Mr. HOBSON, Mr. PORTMAN, Mrs. CUBIN, and Mrs. NORTHUP) 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 allow the taxable income of each spouse of a married couple to be taxed using either the rates applicable to single filers or the rates applicable to joint returns.

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. PURPOSE.**

4 This Act eliminates the marriage penalty.

5 **SEC. 2. COMBINED RETURN TO WHICH UNMARRIED RATES**  
6 **APPLY.**

7 (a) IN GENERAL.—Subpart B of part II of sub-  
8 chapter A of chapter 61 of the Internal Revenue Code of

1 1986 (relating to income tax returns) is amended by in-  
2 serting after section 6013 the following new section:

3 **“SEC. 6013A. COMBINED RETURN WITH SEPARATE RATES.**

4 “(a) GENERAL RULE.—A husband and wife may  
5 make a combined return of income taxes under subtitle  
6 A under which—

7 “(1) a separate taxable income is determined  
8 for each spouse by applying the rules provided in  
9 this section, and

10 “(2) the tax imposed by section 1 is the aggre-  
11 gate amount resulting from applying the separate  
12 rates set forth in section 1(c) to each such taxable  
13 income.

14 “(b) TREATMENT OF INCOME.—For purposes of this  
15 section—

16 “(1) earned income (within the meaning of sec-  
17 tion 911(d)), and any income received as a pension  
18 or annuity which arises from an employer-employee  
19 relationship, shall be treated as the income of the  
20 spouse who rendered the services, and

21 “(2) income from property shall be divided be-  
22 tween the spouses in accordance with their respec-  
23 tive ownership rights in such property.

24 “(c) TREATMENT OF DEDUCTIONS.—For purposes of  
25 this section—

1           “(1) except as otherwise provided in this sub-  
2           section, the deductions allowed by section 62(a) shall  
3           be allowed to the spouse treated as having the in-  
4           come to which such deductions relate,

5           “(2) the deduction for retirement savings de-  
6           scribed in paragraph (7) of section 62(a) shall be al-  
7           lowed to the spouse for whose benefit the savings are  
8           maintained,

9           “(3) the deduction for alimony described in  
10          paragraph (10) of section 62(a) shall be allowed to  
11          the spouse who has the liability to pay the alimony,

12          “(4) the deduction referred to in paragraph  
13          (16) of section 62(a) (relating to contributions to  
14          medical savings accounts) shall be allowed to the  
15          spouse with respect to whose employment or self-em-  
16          ployment such account relates,

17          “(5) the deductions allowable by section 151  
18          (relating to personal exemptions) shall be deter-  
19          mined by requiring each spouse to claim 1 personal  
20          exemption and by allocating the personal exemptions  
21          under section 151(c) (relating to dependents) as pro-  
22          vided in paragraph (7) or in such other manner as  
23          the spouses agree,

24          “(6) section 63 shall be applied as if such  
25          spouses were not married, and

1           “(7) each spouse’s share of all other deductions  
2           shall be determined by multiplying the aggregate  
3           amount thereof by the fraction—

4                   “(A) the numerator of which is such  
5                   spouse’s adjusted gross income, and

6                   “(B) the denominator of which is the com-  
7                   bined adjusted gross incomes of the 2 spouses.

8 Any fraction determined under paragraph (7) shall be  
9 rounded to the nearest percentage point.

10          “(d) TREATMENT OF CREDITS.—Credits shall be de-  
11 termined (and applied against the joint liability of the cou-  
12 ple for tax) as if the spouses had filed a joint return.

13          “(e) TREATMENT AS JOINT RETURN.—Except as  
14 otherwise provided in this section or in the regulations  
15 prescribed hereunder, for purposes of this title (other than  
16 sections 1 and 63(c)) a combined return under this section  
17 shall be treated as a joint return.

18          “(f) REGULATIONS.—The Secretary shall prescribe  
19 such regulations as may be necessary or appropriate to  
20 carry out this section.”.

21          (b) UNMARRIED RATE MADE APPLICABLE.—So  
22 much of subsection (c) of section 1 of such Code as pre-  
23 cedes the table is amended to read as follows:

24          “(c) SEPARATE OR UNMARRIED RETURN RATE.—  
25 There is hereby imposed on the taxable income of every

1 individual (other than a married individual (as defined in  
2 section 7703) filing a joint return or a separate return,  
3 a surviving spouse as defined in section 2(a), or a head  
4 of household as defined in section 2(b)) a tax determined  
5 in accordance with the following table:”.

6 (c) BASIC STANDARD DEDUCTION FOR UNMARRIED  
7 INDIVIDUALS MADE APPLICABLE.—Subparagraph (C) of  
8 section 63(c)(2) of such Code is amended by striking all  
9 that follows the dollar amount and inserting “in the case  
10 of an individual who is not—

11 “(i) a married individual filing a joint  
12 return or a separate return,

13 “(ii) a surviving spouse, or

14 “(iii) a head of household, or”.

15 (d) CLERICAL AMENDMENT.—The table of sections  
16 for subpart B of part II of subchapter A of chapter 61  
17 of such Code is amended by inserting after the item relat-  
18 ing to section 6013 the following:

“Sec. 6013A. Combined return with separate rates.”

19 (e) EFFECTIVE DATE.—The amendments made by  
20 this section shall apply to taxable years beginning after  
21 the date of the enactment of this Act.

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