

Union Calendar No. 277

106TH CONGRESS
2^D SESSION

H. R. 6

[Report No. 106-493]

To amend the Internal Revenue Code of 1986 to eliminate the marriage penalty by providing that the income tax rate bracket amounts, and the amount of the standard deduction, for joint returns shall be twice the amounts applicable to unmarried individuals.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 10, 1999

Mr. WELLER (for himself, Mr. McINTOSH, Ms. DANNER, Mr. RILEY, Mr. HERGER, Mr. ADERHOLT, Mr. ARMEY, Mr. BACHUS, Mr. BAKER, Mr. BALLENGER, Mr. BARCIA, Mr. BARR of Georgia, Mr. BARTLETT of Maryland, Mr. BARTON of Texas, Mr. BARRETT of Nebraska, Mr. BE-REUTER, Ms. BIGGERT, Mr. BILIRAKIS, Mr. BLILEY, Mr. BLUNT, Mr. BOEHLERT, Mr. BOEHNER, Mr. BONILLA, Mrs. BONO, Mr. BRADY of Texas, Mr. BRYANT, Mr. BURTON of Indiana, Mr. BURR of North Carolina, Mr. BUYER, Mr. CALVERT, Mr. CANNON, Mr. CHABOT, Mr. CHAMBLISS, Mrs. CHENOWETH, Mr. CLEMENT, Mr. COBLE, Mr. COBURN, Mr. COLLINS, Mr. COOKSEY, Mr. COX, Mr. CRANE, Mrs. CUBIN, Mr. CUNNINGHAM, Mr. DAVIS of Virginia, Mr. DEAL of Georgia, Mr. DIAZ-BALART, Mr. DICKEY, Mr. DOOLITTLE, Mr. DREIER, Mr. DUNCAN, Ms. DUNN, Mr. DEMINT, Mr. EHRLICH, Mr. ENGLISH, Mrs. EMERSON, Mr. EWING, Mr. FLETCHER, Mr. FOLEY, Mr. FORBES, Mr. FOSSELLA, Mrs. FOWLER, Mr. GEKAS, Mr. GIBBONS, Mr. GILCHREST, Mr. GILLMOR, Mr. GILMAN, Mr. GOODE, Mr. GOODLATTE, Mr. GOODLING, Mr. GOSS, Ms. GRANGER, Mr. GREEN of Wisconsin, Mr. GREENWOOD, Mr. GUTKNECHT, Mr. HALL of Texas, Mr. HASTINGS of Washington, Mr. HANSEN, Mr. HAYES, Mr. HAYWORTH, Mr. HEFLEY, Mr. HILL of Montana, Mr. HILLEARY, Mr. HOEKSTRA, Mr. HORN, Mr. HOSTETTLER, Mr. HULSHOF, Mr. HUNTER, Mr. HUTCHINSON, Mr. ISTOOK, Mr. JENKINS, Mr. JONES of North Carolina, Mr. SAM JOHNSON of Texas, Mrs. KELLY, Mr. KING, Mr. KNOLLENBERG, Mr. KOLBE, Mr. KUYKENDALL, Mr. LARGENT, Mr. LATHAM, Mr. LATOURETTE, Mr. LAZIO, Mr. LEACH, Mr. LEWIS of Kentucky, Mr. LINDER, Mr. LIPINSKI, Mr. LOBIONDO, Mr. LUCAS of Oklahoma, Mr. MANZULLO, Mr.

METCALF, Mr. MICA, Mr. MILLER of Florida, Mrs. MYRICK, Mr. MCCOLLUM, Mr. MCCREERY, Mr. MCHUGH, Mr. MCINNIS, Mr. MCINTYRE, Mr. MCKEON, Mr. NEY, Mr. NETHERCUTT, Mr. NORWOOD, Mr. NUSSLE, Mr. OSE, Mr. OXLEY, Mr. PACKARD, Mr. PAUL, Mr. PEASE, Mr. PETRI, Mr. PETERSON of Pennsylvania, Mr. PICKERING, Mr. PITTS, Mr. POMBO, Mr. PORTER, Mr. PORTMAN, Ms. PRYCE of Ohio, Mr. RADANOVICH, Mr. RAMSTAD, Mr. REGULA, Mr. REYNOLDS, Mr. ROEMER, Mr. ROHRABACHER, Mr. ROGERS, Mrs. ROUKEMA, Mr. ROYCE, Mr. RYAN of Wisconsin, Mr. RYUN of Kansas, Mr. SALMON, Mr. SAXTON, Mr. SCARBOROUGH, Mr. SCHAFFER, Mr. SENSENBRENNER, Mr. SESSIONS, Mr. SHAYS, Mr. SHADEGG, Mr. SHAW, Mr. SHERWOOD, Mr. SHOWS, Mr. SHUSTER, Mr. SIMPSON, Mr. SKEEN, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. SMITH of Texas, Mr. SOUDER, Mr. SPENCE, Mr. STEARNS, Mr. STUMP, Mr. SUNUNU, Mr. SWEENEY, Mr. TALENT, Mr. TANCREDO, Mrs. TAUSCHER, Mr. TAUZIN, Mr. HOUGHTON, Mr. TERRY, Mr. THOMPSON of Mississippi, Mr. TIAHRT, Mr. THUNE, Mr. UPTON, Mr. WALDEN, Mr. WAMP, Mr. WATKINS, Mr. WATTS of Oklahoma, Mr. WELDON of Florida, Mr. WHITFIELD, Mrs. WILSON, Mr. WOLF, Mr. YOUNG of Alaska, Mr. CALLAHAN, Mr. GRAHAM, Mr. DELAY, Mr. YOUNG of Florida, Mr. QUINN, Mr. ROGAN, Ms. ROS-LEHTINEN, Mr. LIVINGSTON, Mr. BASS, Mr. CANADY of Florida, Mr. COOK, Mr. EHLERS, Mr. EVERETT, Mr. FRANKS of New Jersey, Mr. HYDE, Mr. LEWIS of California, Mrs. NORTHUP, Mr. BILBRAY, Mr. COMBEST, Mr. GALLEGLY, Mr. KINGSTON, Mrs. JOHNSON of Connecticut, Mr. STUPAK, Mr. CONDIT, Ms. STABENOW, Mr. FORD, Mr. WICKER, Mr. PETERSON of Minnesota, Mr. CRAMER, Mr. TOOMEY, Mr. GARY MILLER of California, Mr. KASICH, Mr. MORAN of Virginia, and Mr. RAHALL) introduced the following bill; which was referred to the Committee on Ways and Means

FEBRUARY 7, 2000

Additional sponsors: Mr. LUCAS of Kentucky, Mr. TAYLOR of North Carolina, Mr. HOBSON, Mr. SMITH of Michigan, Mr. SHIMKUS, Mr. GORDON, Mr. MEEKS of New York, Mr. PALLONE, Mr. VITTER, Mr. HOLT, Mr. SANDLIN, Mr. FRELINGHUYSEN, Mr. PICKETT, Mr. THOMAS, and Mr. CAMP

FEBRUARY 7, 2000

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on February 10, 1999]

A BILL

To amend the Internal Revenue Code of 1986 to eliminate the marriage penalty by providing that the income tax

rate bracket amounts, and the amount of the standard deduction, for joint returns shall be twice the amounts applicable to unmarried individuals.

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. SHORT TITLE, ETC.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the*
5 *“Marriage Tax Penalty Relief Act of 2000”.*

6 (b) *SECTION 15 NOT TO APPLY.*—*No amendment*
7 *made by this Act shall be treated as a change in a rate*
8 *of tax for purposes of section 15 of the Internal Revenue*
9 *Code of 1986.*

10 **SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STAND-**
11 **ARD DEDUCTION.**

12 (a) *IN GENERAL.*—*Paragraph (2) of section 63(c) of*
13 *the Internal Revenue Code of 1986 (relating to standard*
14 *deduction) is amended—*

15 (1) *by striking “\$5,000” in subparagraph (A)*
16 *and inserting “200 percent of the dollar amount in*
17 *effect under subparagraph (C) for the taxable year”,*

18 (2) *by adding “or” at the end of subparagraph*
19 *(B),*

20 (3) *by striking “in the case of” and all that fol-*
21 *lows in subparagraph (C) and inserting “in any*
22 *other case.”, and*

23 (4) *by striking subparagraph (D).*

1 (b) *TECHNICAL AMENDMENTS.*—

2 (1) *Subparagraph (B) of section 1(f)(6) of such*
3 *Code is amended by striking “(other than with” and*
4 *all that follows through “shall be applied” and insert-*
5 *ing “(other than with respect to sections 63(c)(4) and*
6 *151(d)(4)(A)) shall be applied”.*

7 (2) *Paragraph (4) of section 63(c) of such Code*
8 *is amended by adding at the end the following flush*
9 *sentence:*

10 *“The preceding sentence shall not apply to the*
11 *amount referred to in paragraph (2)(A).”.*

12 (c) *EFFECTIVE DATE.*—*The amendments made by this*
13 *section shall apply to taxable years beginning after Decem-*
14 *ber 31, 2000.*

15 **SEC. 3. PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT**
16 **BRACKET; REPEAL OF REDUCTION OF RE-**
17 **FUNDABLE TAX CREDITS.**

18 (a) *IN GENERAL.*—*Subsection (f) of section 1 of the*
19 *Internal Revenue Code of 1986 (relating to adjustments in*
20 *tax tables so that inflation will not result in tax increases)*
21 *is amended by adding at the end the following new para-*
22 *graph:*

23 (8) *PHASEOUT OF MARRIAGE PENALTY IN 15-*
24 *PERCENT BRACKET.*—

1 “(A) *IN GENERAL.*—With respect to taxable
 2 years beginning after December 31, 2002, in pre-
 3 scribing the tables under paragraph (1)—

4 “(i) *the maximum taxable income in*
 5 *the lowest rate bracket in the table con-*
 6 *tained in subsection (a) (and the minimum*
 7 *taxable income in the next higher taxable*
 8 *income bracket in such table) shall be the*
 9 *applicable percentage of the maximum tax-*
 10 *able income in the lowest rate bracket in the*
 11 *table contained in subsection (c) (after any*
 12 *other adjustment under this subsection),*
 13 *and*

14 “(ii) *the comparable taxable income*
 15 *amounts in the table contained in sub-*
 16 *section (d) shall be 1/2 of the amounts deter-*
 17 *mined under clause (i).*

18 “(B) *APPLICABLE PERCENTAGE.*—For pur-
 19 poses of subparagraph (A), the applicable per-
 20 centage shall be determined in accordance with
 21 the following table:

“For taxable years beginning in calendar year—	The applicable percentage is—
2003	170.3
2004	173.8
2005	183.5
2006	184.3
2007	187.9
2008 and thereafter	200.0.

1 “(C) *ROUNDING.*—If any amount deter-
2 mined under subparagraph (A)(i) is not a mul-
3 tiple of \$50, such amount shall be rounded to the
4 next lowest multiple of \$50.”.

5 (b) *REPEAL OF REDUCTION OF REFUNDABLE TAX*
6 *CREDITS.*—

7 (1) *Subsection (d) of section 24 of such Code is*
8 *amended by striking paragraph (2) and redesignating*
9 *paragraph (3) as paragraph (2).*

10 (2) *Section 32 of such Code is amended by strik-*
11 *ing subsection (h).*

12 (c) *TECHNICAL AMENDMENTS.*—

13 (1) *Subparagraph (A) of section 1(f)(2) of such*
14 *Code is amended by inserting “except as provided in*
15 *paragraph (8),” before “by increasing”.*

16 (2) *The heading for subsection (f) of section 1 of*
17 *such Code is amended by inserting “PHASEOUT OF*
18 *MARRIAGE PENALTY IN 15-PERCENT BRACKET;” be-*
19 *fore “ADJUSTMENTS”.*

20 (d) *EFFECTIVE DATES.*—

21 (1) *IN GENERAL.*—*Except as provided by para-*
22 *graph (2), the amendments made by this section shall*
23 *apply to taxable years beginning after December 31,*
24 *2002.*

1 year in which the taxable year begins,
2 determined—

3 “(i) in the case of amounts in sub-
4 sections (b)(2)(A) and (i)(1), by sub-
5 stituting ‘calendar year 1995’ for ‘calendar
6 year 1992’ in subparagraph (B) thereof,
7 and

8 “(ii) in the case of the \$2,000 amount
9 in subsection (b)(2)(B), by substituting ‘cal-
10 endar year 2000’ for ‘calendar year 1992’
11 in subparagraph (B) of such section 1.”.

12 (c) *ROUNDING*.—Section 32(j)(2)(A) of such Code (re-
13 lating to rounding) is amended by striking “subsection
14 (b)(2)” and inserting “subsection (b)(2)(A) (after being in-
15 creased under subparagraph (B) thereof)”.

16 (d) *EFFECTIVE DATE*.—The amendments made by this
17 section shall apply to taxable years beginning after Decem-
18 ber 31, 2000.

Amend the title so as to read: “A bill to amend the Internal Revenue Code of 1986 to reduce the marriage penalty by providing for adjustments to the standard deduction, 15-percent rate bracket, and earned income credit and to repeal the reduction of the refundable tax credits.”.

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