

107TH CONGRESS  
2D SESSION

# S. 2825

To amend the Internal Revenue Code of 1986 to allow a nonrefundable tax credit for contributions to congressional candidates.

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IN THE SENATE OF THE UNITED STATES

JULY 30, 2002

Mr. DORGAN (for himself and Mr. WARNER) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a nonrefundable tax credit for contributions to congressional candidates.

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. CREDIT FOR CONTRIBUTIONS TO CONGRES-**  
4 **SIONAL CANDIDATES.**

5 (a) GENERAL RULE.—Subpart A of part IV of sub-  
6 chapter A of chapter 1 of the Internal Revenue Code of  
7 1986 (relating to nonrefundable personal credits) is  
8 amended by inserting after section 25B the following new  
9 section:

1 **“SEC. 25C. CONTRIBUTIONS TO CONGRESSIONAL CAN-**  
2 **DIDATES.**

3 “(a) GENERAL RULE.—In the case of an eligible indi-  
4 vidual, there shall be allowed as a credit against the tax  
5 imposed by this chapter for the taxable year an amount  
6 equal to the total of contributions to candidates for the  
7 office of Senator or Representative in, or Delegate or Resi-  
8 dent Commissioner to, the Congress.

9 “(b) MAXIMUM CREDIT.—The credit allowed by sub-  
10 section (a) for a taxable year shall not exceed \$200 (\$400  
11 in the case of a joint return).

12 “(c) VERIFICATION.—The credit allowed by sub-  
13 section (a) shall be allowed, with respect to any contribu-  
14 tion, only if such contribution is verified in such manner  
15 as the Secretary shall prescribe by regulations.

16 “(d) DEFINITIONS.—For purposes of this section—

17 “(1) CANDIDATE; CONTRIBUTION.—The terms  
18 ‘candidate’ and ‘contribution’ have the meanings  
19 given such terms in section 301 of the Federal Elec-  
20 tion Campaign Act of 1971.

21 “(2) ELIGIBLE INDIVIDUAL.—The term ‘eligible  
22 individual’ means any taxpayer whose adjusted gross  
23 income for the taxable year does not exceed \$60,000  
24 (\$120,000 in the case of a joint return).”.

25 (b) CONFORMING AMENDMENTS.—

1           (1) Section 642 of the Internal Revenue Code  
2 of 1986 (relating to special rules for credits and de-  
3 ductions of estates or trusts) is amended by adding  
4 at the end the following new subsection:

5           “(j) CREDIT FOR CERTAIN CONTRIBUTIONS NOT AL-  
6 LOWED.—An estate or trust shall not be allowed the credit  
7 against tax provided by section 25C.”.

8           (2) The table of sections for subpart A of part  
9 IV of subchapter A of chapter 1 of such Code is  
10 amended by inserting after the item relating to sec-  
11 tion 25B the following new item:

                  “Sec. 25C. Contributions to congressional candidates.”.

12           (c) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to taxable years beginning after  
14 December 31, 2002.

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