

108TH CONGRESS
1ST SESSION

H. R. 2186

To amend the Internal Revenue Code of 1986 to cover over to a possession of the United States whose income tax laws mirror such Code as the refundable portions of the child tax credit and earned income tax credit, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 21, 2003

Ms. BORDALLO (for herself and Mrs. CHRISTENSEN) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to cover over to a possession of the United States whose income tax laws mirror such Code as the refundable portions of the child tax credit and earned income tax credit, and for other purposes.

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.**

4 This Act may be cited as the “Insular Areas Tax
5 Credit Guarantee Act of 2003”.

1 **SEC. 2. COVER OVER OF REFUNDABLE PORTIONS OF CHILD**
2 **TAX CREDIT AND EARNED INCOME TAX**
3 **CREDIT TO POSSESSIONS WHOSE INCOME**
4 **TAX LAWS MIRROR THE INTERNAL REVENUE**
5 **CODE OF 1986.**

6 (a) IN GENERAL.—Section 7654 of the Internal Rev-
7 enue Code of 1986 (relating to coordination of United
8 States and certain possession individual income taxes) is
9 amended by redesignating subsection (e) as subsection (f)
10 and by inserting after subsection (d) the following new
11 subsection:

12 “(e) REFUNDABLE PORTION OF CERTAIN CRED-
13 ITS.—

14 “(1) IN GENERAL.—In addition to the amounts
15 determined under the preceding provisions of this
16 section, the United States shall pay to each mirror
17 system possession (not less often than quarterly) an
18 amount equal to the aggregate refunds paid by such
19 possession to individuals to the extent the amount of
20 each such refund does not exceed the amount the
21 credit determined under sections 24(d) and 32. An
22 estimate of the amounts required to be paid under
23 this subsection during any calendar year shall be
24 paid during the first 3½ months of such year. Prop-
25 er adjustments shall be made in the amounts subse-
26 quently transferred to the extent prior estimates

1 “An estimate of the amounts required to be paid under
2 this subsection during any calendar year shall be paid dur-
3 ing the first 3½ months of such year. Proper adjustments
4 shall be made in the amounts subsequently transferred to
5 the extent prior estimates were in excess of or less than
6 the amounts required to be transferred.”

7 (c) EFFECTIVE DATES.—

8 (1) SUBSECTION (a).—The amendment made by
9 subsection (a) shall apply to amounts deducted and
10 withheld after the date of the enactment of this Act.

11 (2) SUBSECTION (b).—The amendment made by
12 subsection (b) shall apply to calendar years begin-
13 ning after the date of the enactment of this Act.

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