

108TH CONGRESS  
1ST SESSION

# S. 755

To amend the Internal Revenue Code of 1986 to provide a uniform definition of child, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 1, 2003

Mr. BAUCUS (for himself, Mr. GRASSLEY, Mr. HATCH, Mr. THOMAS, Mrs. LINCOLN, and Mr. ROCKEFELLER) 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 provide a uniform definition of child, 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 “Uniform Definition  
5 of Child Act of 2003”.

6 **SEC. 2. UNIFORM DEFINITION OF CHILD, ETC.**

7 Section 152 of the Internal Revenue Code of 1986  
8 is amended to read as follows:

1 **“SEC. 152. DEPENDENT DEFINED.**

2 “(a) IN GENERAL.—For purposes of this subtitle, the  
3 term ‘dependent’ means—

4 “(1) a qualifying child, or

5 “(2) a qualifying relative.

6 “(b) EXCEPTIONS.—For purposes of this section—

7 “(1) DEPENDENTS INELIGIBLE.—If an indi-  
8 vidual is a dependent of a taxpayer for any taxable  
9 year of such taxpayer beginning in a calendar year,  
10 such individual shall be treated as having no depend-  
11 ents for any taxable year of such individual begin-  
12 ning in such calendar year.

13 “(2) MARRIED DEPENDENTS.—An individual  
14 shall not be treated as a dependent of a taxpayer  
15 under subsection (a) if such individual has made a  
16 joint return with the individual’s spouse under sec-  
17 tion 6013 for the taxable year beginning in the cal-  
18 endar year in which the taxable year of the taxpayer  
19 begins.

20 “(3) CITIZENS OR NATIONALS OF OTHER COUN-  
21 TRIES.—

22 “(A) IN GENERAL.—The term ‘dependent’  
23 does not include an individual who is not a cit-  
24 izen or national of the United States unless  
25 such individual is a resident of the United

1 States or a country contiguous to the United  
2 States.

3 “(B) EXCEPTION FOR ADOPTED CHILD.—  
4 Subparagraph (A) shall not exclude any child of  
5 a taxpayer (within the meaning of subsection  
6 (f)(1)(B)) from the definition of ‘dependent’  
7 if—

8 “(i) for the taxable year of the tax-  
9 payer, the child’s principal place of abode  
10 is the home of the taxpayer, and

11 “(ii) the taxpayer is a citizen or na-  
12 tional of the United States.

13 “(c) QUALIFYING CHILD.—For purposes of this sec-  
14 tion—

15 “(1) IN GENERAL.—The term ‘qualifying child’  
16 means, with respect to any taxpayer for any taxable  
17 year, an individual—

18 “(A) who bears a relationship to the tax-  
19 payer described in paragraph (2),

20 “(B) who has the same principal place of  
21 abode as the taxpayer for more than one-half of  
22 such taxable year,

23 “(C) who meets the age requirements of  
24 paragraph (3), and

1           “(D) who has not provided over one-half of  
2           such individual’s own support for the calendar  
3           year in which the taxable year of the taxpayer  
4           begins.

5           “(2) RELATIONSHIP TEST.—For purposes of  
6           paragraph (1)(A), an individual bears a relationship  
7           to the taxpayer described in this paragraph if such  
8           individual is—

9           “(A) a child of the taxpayer or a descend-  
10          ant of such a child, or

11          “(B) a brother, sister, stepbrother, or step-  
12          sister of the taxpayer or a descendant of any  
13          such relative.

14          “(3) AGE REQUIREMENTS.—

15          “(A) IN GENERAL.—For purposes of para-  
16          graph (1)(C), an individual meets the require-  
17          ments of this paragraph if such individual—

18               “(i) has not attained the age of 19 as  
19               of the close of the calendar year in which  
20               the taxable year of the taxpayer begins, or

21               “(ii) is a student who has not attained  
22               the age of 24 as of the close of such cal-  
23               endar year.

24          “(B) SPECIAL RULE FOR DISABLED.—In  
25          the case of an individual who is permanently

1 and totally disabled (as defined in section  
2 22(e)(3)) at any time during such calendar  
3 year, the requirements of subparagraph (A)  
4 shall be treated as met with respect to such in-  
5 dividual.

6 “(4) SPECIAL RULE RELATING TO 2 OR MORE  
7 CLAIMING QUALIFYING CHILD.—

8 “(A) IN GENERAL.—Except as provided in  
9 subparagraph (B) and subsection (e), if (but for  
10 this paragraph) an individual may be claimed  
11 as a qualifying child by 2 or more taxpayers for  
12 a taxable year beginning in the same calendar  
13 year, such individual shall be treated as the  
14 qualifying child of the taxpayer who is—

15 “(i) a parent of the individual, or

16 “(ii) if clause (i) does not apply, the  
17 taxpayer with the highest adjusted gross  
18 income for such taxable year.

19 “(B) MORE THAN 1 PARENT CLAIMING  
20 QUALIFYING CHILD.—If the parents claiming  
21 any qualifying child do not file a joint return  
22 together, such child shall be treated as the  
23 qualifying child of—

1           “(i) the parent with whom the child  
2           resided for the longest period of time dur-  
3           ing the taxable year, or

4           “(ii) if the child resides with both par-  
5           ents for the same amount of time during  
6           such taxable year, the parent with the  
7           highest adjusted gross income.

8           “(d) QUALIFYING RELATIVE.—For purposes of this  
9           section—

10           “(1) IN GENERAL.—The term ‘qualifying rel-  
11           ative’ means, with respect to any taxpayer for any  
12           taxable year, an individual—

13           “(A) who bears a relationship to the tax-  
14           payer described in paragraph (2),

15           “(B) whose gross income for the calendar  
16           year in which such taxable year begins is less  
17           than the exemption amount (as defined in sec-  
18           tion 151(d)),

19           “(C) with respect to whom the taxpayer  
20           provides over one-half of the individual’s sup-  
21           port for the calendar year in which such taxable  
22           year begins, and

23           “(D) who is not a qualifying child of such  
24           taxpayer or of any other taxpayer for any tax-

1           able year beginning in the calendar year in  
2           which such taxable year begins.

3           “(2) RELATIONSHIP.—For purposes of para-  
4           graph (1)(A), an individual bears a relationship to  
5           the taxpayer described in this paragraph if the indi-  
6           vidual is any of the following with respect to the tax-  
7           payer:

8                   “(A) A child or a descendant of a child.

9                   “(B) A brother, sister, stepbrother, or  
10           stepsister.

11                   “(C) The father or mother, or an ancestor  
12           of either.

13                   “(D) A stepfather or stepmother.

14                   “(E) A son or daughter of a brother or sis-  
15           ter of the taxpayer.

16                   “(F) A brother or sister of the father or  
17           mother of the taxpayer.

18                   “(G) A son-in-law, daughter-in-law, father-  
19           in-law, mother-in-law, brother-in-law, or sister-  
20           in-law.

21                   “(H) An individual (other than an indi-  
22           vidual who at any time during the taxable year  
23           was the spouse, determined without regard to  
24           section 7703, of the taxpayer) who, for the tax-  
25           able year of the taxpayer, has as such individ-

1           ual’s principal place of abode the home of the  
2           taxpayer and is a member of the taxpayer’s  
3           household.

4           “(3) SPECIAL RULE RELATING TO MULTIPLE  
5           SUPPORT AGREEMENTS.—For purposes of paragraph  
6           (1)(C), over one-half of the support of an individual  
7           for a calendar year shall be treated as received from  
8           the taxpayer if—

9                   “(A) no one person contributed over one-  
10                  half of such support,

11                  “(B) over one-half of such support was re-  
12                  ceived from 2 or more persons each of whom,  
13                  but for the fact that any such person alone did  
14                  not contribute over one-half of such support,  
15                  would have been entitled to claim such indi-  
16                  vidual as a dependent for a taxable year begin-  
17                  ning in such calendar year,

18                  “(C) the taxpayer contributed over 10 per-  
19                  cent of such support, and

20                  “(D) each person described in subpara-  
21                  graph (B) (other than the taxpayer) who con-  
22                  tributed over 10 percent of such support files a  
23                  written declaration (in such manner and form  
24                  as the Secretary may by regulations prescribe)  
25                  that such person will not claim such individual

1 as a dependent for any taxable year beginning  
2 in such calendar year.

3 “(4) SPECIAL RULE RELATING TO INCOME OF  
4 HANDICAPPED DEPENDENTS.—

5 “(A) IN GENERAL.—For purposes of para-  
6 graph (1)(B), the gross income of an individual  
7 who is permanently and totally disabled (as de-  
8 fined in section 22(e)(3)) at any time during  
9 the taxable year shall not include income attrib-  
10 utable to services performed by the individual  
11 at a sheltered workshop if—

12 “(i) the availability of medical care at  
13 such workshop is the principal reason for  
14 the individual’s presence there, and

15 “(ii) the income arises solely from ac-  
16 tivities at such workshop which are inci-  
17 dent to such medical care.

18 “(B) SHELTERED WORKSHOP DEFINED.—  
19 For purposes of subparagraph (A), the term  
20 ‘sheltered workshop’ means a school—

21 “(i) which provides special instruction  
22 or training designed to alleviate the dis-  
23 ability of the individual, and

24 “(ii) which is operated by an organi-  
25 zation described in section 501(c)(3) and

1 exempt from tax under section 501(a), or  
2 by a State, a possession of the United  
3 States, any political subdivision of any of  
4 the foregoing, the United States, or the  
5 District of Columbia.

6 “(5) SPECIAL SUPPORT TEST IN CASE OF STU-  
7 DENTS.—For purposes of paragraph (1)(C), in the  
8 case of an individual who is—

9 “(A) a child of the taxpayer, and

10 “(B) a student,

11 amounts received as scholarships for study at an  
12 educational organization described in section  
13 170(b)(1)(A)(ii) shall not be taken into account in  
14 determining whether such individual received more  
15 than one-half of such individual’s support from the  
16 taxpayer.

17 “(6) SPECIAL RULES FOR SUPPORT.—For pur-  
18 poses of this subsection—

19 “(A) payments to a spouse which are in-  
20 cludible in the gross income of such spouse  
21 under section 71 or 682 shall not be treated as  
22 a payment by the payor spouse for the support  
23 of any dependent,

24 “(B) amounts expended for the support of  
25 a child or children shall be treated as received

1 from the noncustodial parent (as defined in  
2 subsection (e)(3)(B)) to the extent that such  
3 parent provided amounts for such support, and

4 “(C) in the case of the remarriage of a  
5 parent, support of a child received from the  
6 parent’s spouse shall be treated as received  
7 from the parent.

8 “(e) SPECIAL RULE FOR DIVORCED PARENTS.—

9 “(1) IN GENERAL.—Notwithstanding subsection  
10 (c)(4) or (d)(1)(C), if—

11 “(A) a child receives over one-half of the  
12 child’s support during the calendar year from  
13 the child’s parents—

14 “(i) who are divorced or legally sepa-  
15 rated under a decree of divorce or separate  
16 maintenance,

17 “(ii) who are separated under a writ-  
18 ten separation agreement, or

19 “(iii) who live apart at all times dur-  
20 ing the last 6 months of the calendar year,  
21 and

22 “(B) such child is in the custody of 1 or  
23 both of the child’s parents for more than  $\frac{1}{2}$  of  
24 the calendar year,

1 such child shall be treated as being the qualifying  
2 child or qualifying relative of the noncustodial par-  
3 ent for a calendar year if the requirements described  
4 in paragraph (2) are met.

5 “(2) REQUIREMENTS.—For purposes of para-  
6 graph (1), the requirements described in this para-  
7 graph are met if—

8 “(A) a decree of divorce or separate main-  
9 tenance or written agreement between the par-  
10 ents applicable to the taxable year beginning in  
11 such calendar year provides that—

12 “(i) the noncustodial parent shall be  
13 entitled to any deduction allowable under  
14 section 151 for such child, or

15 “(ii) the custodial parent will sign a  
16 written declaration that such parent will  
17 not claim such child as a dependent for  
18 such taxable year, and

19 “(B) in the case of such an agreement exe-  
20 cuted before January 1, 1985, the noncustodial  
21 parent provides at least \$600 for the support of  
22 such child during such calendar year.

23 “(3) CUSTODIAL PARENT AND NONCUSTODIAL  
24 PARENT.—For purposes of this subsection—

1           “(A) CUSTODIAL PARENT.—The term ‘cus-  
 2           todial parent’ means the parent with whom a  
 3           child shared the same principal place of abode  
 4           for the greater portion of the calendar year.

5           “(B) NONCUSTODIAL PARENT.—The term  
 6           ‘noncustodial parent’ means the parent who is  
 7           not the custodial parent.

8           “(4) EXCEPTION FOR MULTIPLE-SUPPORT  
 9           AGREEMENTS.—This subsection shall not apply in  
 10          any case where over one-half of the support of the  
 11          child is treated as having been received from a tax-  
 12          payer under the provision of subsection (d)(3).

13          “(f) OTHER DEFINITIONS AND RULES.—For pur-  
 14          poses of this section—

15               “(1) CHILD DEFINED.—

16                   “(A) IN GENERAL.—The term ‘child’  
 17                   means an individual who is—

18                           “(i) a son, daughter, stepson, or step-  
 19                           daughter of the taxpayer, or

20                           “(ii) an eligible foster child of the tax-  
 21                           payer.

22                   “(B) ADOPTED CHILD.—In determining  
 23                   whether any of the relationships specified in  
 24                   subparagraph (A)(i) or paragraph (4) exists, a  
 25                   legally adopted individual of the taxpayer, or an

1 individual who is placed with the taxpayer by  
2 an authorized placement agency for adoption by  
3 the taxpayer, shall be treated as a child of such  
4 individual by blood.

5 “(C) ELIGIBLE FOSTER CHILD.—For pur-  
6 poses of subparagraph (A)(ii), the term ‘eligible  
7 foster child’ means an individual who is placed  
8 with the taxpayer by an authorized placement  
9 agency or by judgment, decree, or other order  
10 of any court of competent jurisdiction.

11 “(2) STUDENT DEFINED.—The term ‘student’  
12 means an individual who during each of 5 calendar  
13 months during the calendar year in which the tax-  
14 able year of the taxpayer begins—

15 “(A) is a full-time student at an edu-  
16 cational organization described in section  
17 170(b)(1)(A)(ii), or

18 “(B) is pursuing a full-time course of insti-  
19 tutional on-farm training under the supervision  
20 of an accredited agent of an educational organi-  
21 zation described in section 170(b)(1)(A)(ii) or  
22 of a State or political subdivision of a State.

23 “(3) PLACE OF ABODE.—An individual shall  
24 not be treated as having the same principal place of  
25 abode of the taxpayer if at any time during the tax-

1       able year of the taxpayer the relationship between  
2       the individual and the taxpayer is in violation of  
3       local law.

4               “(4) BROTHER AND SISTER.—The terms  
5       ‘brother’ and ‘sister’ include a brother or sister by  
6       the half blood.

7               “(5) TREATMENT OF MISSING CHILDREN.—

8                       “(A) IN GENERAL.—Solely for the pur-  
9       poses referred to in subparagraph (B), a child  
10      of the taxpayer—

11                               “(i) who is presumed by law enforce-  
12      ment authorities to have been kidnapped  
13      by someone who is not a member of the  
14      family of such child or the taxpayer, and

15                               “(ii) who had, for the taxable year in  
16      which the kidnapping occurred, the same  
17      principal place of abode as the taxpayer for  
18      more than one-half of the portion of such  
19      year before the date of the kidnapping,

20      shall be treated as meeting the requirement of  
21      subsection (c)(1)(B) with respect to a taxpayer  
22      for all taxable years ending during the period  
23      that the individual is kidnapped.

24                       “(B) PURPOSES.—Subparagraph (A) shall  
25      apply solely for purposes of determining—

1 “(i) the deduction under section  
2 151(e),

3 “(ii) the credit under section 24 (re-  
4 lating to child tax credit),

5 “(iii) whether an individual is a sur-  
6 viving spouse or a head of a household (as  
7 such terms are defined in section 2), and

8 “(iv) the earned income credit under  
9 section 32.

10 “(C) COMPARABLE TREATMENT OF CER-  
11 TAIN QUALIFYING RELATIVES.—For purposes  
12 of this section, a child of the taxpayer—

13 “(i) who is presumed by law enforce-  
14 ment authorities to have been kidnapped  
15 by someone who is not a member of the  
16 family of such child or the taxpayer, and

17 “(ii) who was (without regard to this  
18 paragraph) a qualifying relative of the tax-  
19 payer for the portion of the taxable year  
20 before the date of the kidnapping,

21 shall be treated as a qualifying relative of the  
22 taxpayer for all taxable years ending during the  
23 period that the child is kidnapped.

24 “(D) TERMINATION OF TREATMENT.—  
25 Subparagraphs (A) and (C) shall cease to apply

1 as of the first taxable year of the taxpayer be-  
 2 ginning after the calendar year in which there  
 3 is a determination that the child is dead (or, if  
 4 earlier, in which the child would have attained  
 5 age 18).

6 “(6) CROSS REFERENCES.—

**“For provision treating child as dependent of both  
 parents for purposes of certain provisions, see sec-  
 tions 105(b), 132(h)(2)(B), and 213(d)(5).”**

7 **SEC. 3. MODIFICATIONS OF DEFINITION OF HEAD OF**  
 8 **HOUSEHOLD.**

9 (a) HEAD OF HOUSEHOLD.—Clause (i) of section  
 10 2(b)(1)(A) of the Internal Revenue Code of 1986 is  
 11 amended to read as follows:

12 “(i) a qualifying child of the indi-  
 13 vidual (as defined in section 152(c), deter-  
 14 mined without regard to section 152(e)),  
 15 but not if such child—

16 “(I) is married at the close of the  
 17 taxpayer’s taxable year, and

18 “(II) is not a dependent of such  
 19 individual by reason of section  
 20 152(b)(2) or 152(b)3), or both, or”.

21 (b) CONFORMING AMENDMENTS.—

22 (1) Section 2(b)(2) of the Internal Revenue  
 23 Code of 1986 is amended by striking subparagraph  
 24 (A) and by redesignating subparagraphs (B), (C),

1 and (D) as subparagraphs (A), (B), and (C), respec-  
 2 tively.

3 (2) Clauses (i) and (ii) of section 2(b)(3)(B) of  
 4 such Code are amended to read as follows:

5 “(i) subparagraph (H) of section  
 6 152(d)(2), or

7 “(ii) paragraph (3) of section  
 8 152(d).”.

9 **SEC. 4. MODIFICATIONS OF DEPENDENT CARE CREDIT.**

10 (a) IN GENERAL.—Section 21(a)(1) of the Internal  
 11 Revenue Code of 1986 is amended by striking “In the case  
 12 of an individual who maintains a household which includes  
 13 as a member one or more qualifying individuals (as de-  
 14 fined in subsection (b)(1))” and inserting “In the case of  
 15 an individual for which there are 1 or more qualifying indi-  
 16 viduals (as defined in subsection (b)(1)) with respect to  
 17 such individual”.

18 (b) QUALIFYING INDIVIDUAL.—Paragraph (1) of sec-  
 19 tion 21(b) of the Internal Revenue Code of 1986 is amend-  
 20 ed to read as follows:

21 “(1) QUALIFYING INDIVIDUAL.—The term  
 22 ‘qualifying individual’ means—

23 “(A) a dependent of the taxpayer (as de-  
 24 fined in section 152(a)(1)) who has not attained  
 25 age 13,

1           “(B) a dependent of the taxpayer who is  
2           physically or mentally incapable of caring for  
3           himself or herself and who has the same prin-  
4           cipal place of abode as the taxpayer for more  
5           than one-half of such taxable year, or

6           “(C) the spouse of the taxpayer, if the  
7           spouse is physically or mentally incapable of  
8           caring for himself or herself and who has the  
9           same principal place of abode as the taxpayer  
10          for more than one-half of such taxable year.”.

11          (c) CONFORMING AMENDMENT.—Paragraph (1) of  
12          section 21(e) of the Internal Revenue Code of 1986 is  
13          amended to read as follows:

14                 “(1) PLACE OF ABODE.—An individual shall  
15                 not be treated as having the same principal place of  
16                 abode of the taxpayer if at any time during the tax-  
17                 able year of the taxpayer the relationship between  
18                 the individual and the taxpayer is in violation of  
19                 local law. ”.

20          **SEC. 5. MODIFICATIONS OF CHILD TAX CREDIT.**

21          (a) IN GENERAL.—Paragraph (1) of section 24(c) of  
22          the Internal Revenue Code of 1986 is amended to read  
23          as follows:

1           “(1) IN GENERAL.—The term ‘qualifying child’  
2           means a qualifying child of the taxpayer (as defined  
3           in section 152(c)) who has not attained age 17.”.

4           (b) CONFORMING AMENDMENT.—Section 24(c)(2) of  
5           the Internal Revenue Code of 1986 is amended by striking  
6           “the first sentence of section 152(b)(3)” and inserting  
7           “subparagraph (A) of section 152(b)(3)”.

8           **SEC. 6. MODIFICATIONS OF EARNED INCOME CREDIT.**

9           (a) QUALIFYING CHILD.—Paragraph (3) of section  
10          32(c) of the Internal Revenue Code of 1986 is amended  
11          to read as follows:

12                 “(3) QUALIFYING CHILD.—

13                         “(A) IN GENERAL.—The term ‘qualifying  
14                         child’ means a qualifying child of the taxpayer  
15                         (as defined in section 152(c), determined with-  
16                         out regard to paragraph (1)(D) thereof and sec-  
17                         tion 152(e)).

18                         “(B) MARRIED INDIVIDUAL.—The term  
19                         ‘qualifying child’ shall not include an individual  
20                         who is married as of the close of the taxpayer’s  
21                         taxable year unless the taxpayer is entitled to  
22                         a deduction under section 151 for such taxable  
23                         year with respect to such individual (or would  
24                         be so entitled but for section 152(e)).

1           “(C) PLACE OF ABODE.—For purposes of  
2           subparagraph (A), the requirements of section  
3           152(c)(1)(B) shall be met only if the principal  
4           place of abode is in the United States.

5           “(D) IDENTIFICATION REQUIREMENTS.—

6           “(i) IN GENERAL.—A qualifying child  
7           shall not be taken into account under sub-  
8           section (b) unless the taxpayer includes the  
9           name, age, and TIN of the qualifying child  
10          on the return of tax for the taxable year.

11          “(ii) OTHER METHODS.—The Sec-  
12          retary may prescribe other methods for  
13          providing the information described in  
14          clause (i).”.

15          (b) CONFORMING AMENDMENTS.—

16           (1) Section 32(c)(1) of the Internal Revenue  
17          Code of 1986 is amended by striking subparagraph  
18          (C) and by redesignating subparagraphs (D), (E),  
19          (F), and (G) as subparagraphs (C), (D), (E), and  
20          (F), respectively.

21           (2) Section 32(c)(4) of such Code is amended  
22          by striking “(3)(E)” and inserting “(3)(C)”.

23           (3) Section 32(m) of such Code is amended by  
24          striking “subsections (c)(1)(F)” and inserting “sub-  
25          sections (c)(1)(E)”.

1 **SEC. 7. MODIFICATIONS OF DEDUCTION FOR PERSONAL**  
2 **EXEMPTION FOR DEPENDENTS.**

3 Subsection (c) of section 151 of the Internal Revenue  
4 Code of 1986 is amended to read as follows:

5 “(c) **ADDITIONAL EXEMPTION FOR DEPENDENTS.**—  
6 An exemption of the exemption amount for each individual  
7 who is a dependent (as defined in section 152) of the tax-  
8 payer for the taxable year.”

9 **SEC. 8. TECHNICAL AND CONFORMING AMENDMENTS.**

10 (1) Section 21(e)(5) of the Internal Revenue  
11 Code of 1986 is amended—

12 (A) by striking “paragraph (2) or (4) of”  
13 in subparagraph (A), and

14 (B) by striking “within the meaning of sec-  
15 tion 152(e)(1)” and inserting “as defined in  
16 section 152(e)(3)(A)”.

17 (2) Section 21(e)(6)(B) of such Code is amend-  
18 ed by striking “section 151(c)(3)” and inserting  
19 “section 152(f)(1)”.

20 (3) Section 25B(c)(2)(B) of such Code is  
21 amended by striking “151(c)(4)” and inserting  
22 “152(f)(2)”.

23 (4)(A) Subparagraphs (A) and (B) of section  
24 51(i)(1) of such Code are each amended by striking  
25 “paragraphs (1) through (8) of section 152(a)” both

1 places it appears and inserting “subparagraphs (A)  
2 through (G) of section 152(d)(2)”.

3 (B) Section 51(i)(1)(C) of such Code is amend-  
4 ed by striking “152(a)(9)” and inserting  
5 “152(d)(2)(H)”.

6 (5) Section 72(t)(7)(A)(iii) of such Code is  
7 amended by striking “151(c)(3)” and inserting  
8 “152(f)(1)”.

9 (6) Section 129(c)(2) of such Code is amended  
10 by striking “151(c)(3)” and inserting “152(f)(1)”.

11 (7) The first sentence of section 132(h)(2)(B)  
12 of such Code is amended by striking “151(c)(3)”  
13 and inserting “152(f)(1)”.

14 (8) Section 153 of such Code is amended by  
15 striking paragraph (1) and by redesignating para-  
16 graphs (2), (3), and (4) as paragraphs (1), (2), and  
17 (3), respectively.

18 (9) Section 170(g)(3) of such Code is amended  
19 by striking “paragraphs (1) through (8) of section  
20 152(a)” and inserting “subparagraphs (A) through  
21 (G) of section 152(d)(2)”.

22 (10) The second sentence of section 213(d)(11)  
23 of such Code is amended by striking “paragraphs  
24 (1) through (8) of section 152(a)” and inserting

1 “subparagraphs (A) through (G) of section  
2 152(d)(2)”.

3 (11) Section 529(e)(2)(B) of such Code is  
4 amended by striking “paragraphs (1) through (8) of  
5 section 152(a)” and inserting “subparagraphs (A)  
6 through (G) of section 152(d)(2)”.

7 (12) Section 2032A(c)(7)(D) of such Code is  
8 amended by striking “section 151(c)(4)” and insert-  
9 ing “section 152(f)(2)”.

10 (13) Section 7701(a)(17) of such Code is  
11 amended by striking “152(b)(4), 682,” and inserting  
12 “682”.

13 (14) Section 7702B(f)(2)(C)(iii) of such Code is  
14 amended by striking “paragraphs (1) through (8) of  
15 section 152(a)” and inserting “subparagraphs (A)  
16 through (G) of section 152(d)(2)”.

17 (15) Section 7703(b)(1) of such Code is amend-  
18 ed—

19 (A) by striking “151(c)(3)” and inserting  
20 “152(f)(1)”, and

21 (B) by striking “paragraph (2) or (4) of”.

22 **SEC. 9. EFFECTIVE DATE.**

23 The amendments made by this Act shall apply to tax-  
24 able years beginning after December 31, 2003.

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