

110TH CONGRESS
1ST SESSION

H. R. 4661

To amend the Internal Revenue Code of 1986 to increase the limitation on capital loss applicable to individuals.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 13, 2007

Mr. KAGEN 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 increase the limitation on capital loss applicable to 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. INCREASE IN LIMITATION ON CAPITAL LOSSES**

4 **APPLICABLE TO INDIVIDUALS.**

5 (a) IN GENERAL.—Paragraph (1) of section 1211(b)
6 of the Internal Revenue Code of 1986 (relating to limita-
7 tion on capital losses) is amended by striking “\$3,000
8 (\$1,500” and inserting “\$10,000 (50 percent of such
9 amount, as increased under subsection (c),”.

1 (b) ADJUSTMENT FOR INFLATION.—Section 1211 of
2 such Code is amended by adding at the end the following
3 new subsection:

4 “(c) ADJUSTMENT FOR INFLATION.—

5 “(1) IN GENERAL.—In the case of any taxable
6 year beginning in a calendar year after 2008, the
7 \$10,000 amount contained in subsection (b)(1) shall
8 be increased by an amount equal to—

9 “(A) such amount, multiplied by

10 “(B) the cost-of-living adjustment deter-
11 mined under section 1(f)(3) for the calendar
12 year in which the taxable year begins by sub-
13 stituting ‘calendar year 2007’ for ‘calendar year
14 1992’ in subparagraph (B) thereof.

15 “(2) ROUNDING.—If any increase determined
16 under subparagraph (A) is not a multiple of \$50,
17 such increase shall be rounded to the next highest
18 multiple of \$50.”.

19 (c) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to taxable years beginning after
21 December 31, 2007.

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