

106TH CONGRESS
2D SESSION

H. R. 6

AN ACT

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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AN ACT

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.

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).

24 (b) TECHNICAL AMENDMENTS.—

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

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

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

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 December 31, 2000.

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

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

22 “(8) PHASEOUT OF MARRIAGE PENALTY IN 15-
23 PERCENT BRACKET.—

1 “(A) IN GENERAL.—With respect to tax-
 2 able years beginning after December 31, 2002,
 3 in prescribing 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
 11 the table contained in subsection (c) (after
 12 any other adjustment under this sub-
 13 section), and

14 “(ii) the comparable taxable income
 15 amounts in the table contained in sub-
 16 section (d) shall be $\frac{1}{2}$ of the amounts de-
 17 termined under clause (i).

18 “(B) APPLICABLE PERCENTAGE.—For
 19 purposes of subparagraph (A), the applicable
 20 percentage shall be determined in accordance
 21 with 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
4 the 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
8 is amended by striking paragraph (2) and redesign-
9 nating paragraph (3) as paragraph (2).

10 (2) Section 32 of such Code is amended by
11 striking 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
17 of such Code is amended by inserting “PHASEOUT
18 OF MARRIAGE PENALTY IN 15-PERCENT BRACKET;”
19 before “ADJUSTMENTS”.

20 (d) EFFECTIVE DATES.—

21 (1) IN GENERAL.—Except as provided by para-
22 graph (2), the amendments made by this section
23 shall apply to taxable years beginning after Decem-
24 ber 31, 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
10 ‘calendar year 2000’ for ‘calendar year
11 1992’ in subparagraph (B) of such section
12 1.”.

13 (c) ROUNDING.—Section 32(j)(2)(A) of such Code
14 (relating to rounding) is amended by striking “subsection
15 (b)(2)” and inserting “subsection (b)(2)(A) (after being
16 increased under subparagraph (B) thereof)”.

17 (d) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to taxable years beginning after
19 December 31, 2000.

Passed the House of Representatives February 10,
2000.

Attest:

Clerk.