

107TH CONGRESS
1ST SESSION

H. R. 676

To amend the Internal Revenue Code of 1986 to increase the maximum amount allowable as an annual contribution to education individual retirement accounts from \$500 to \$2,000, phased in over 3 years.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 2001

Mr. LATHAM (for himself, Mr. BACHUS, Mr. EHRLICH, Ms. GRANGER, Mr. PITTS, Mrs. EMERSON, Mr. RILEY, Mr. DUNCAN, Mr. SIMPSON, Ms. HART, Mr. WHITFIELD, Mr. CHAMBLISS, Mr. PAUL, Mr. SMITH of New Jersey, Mr. PASCRELL, Ms. ROS-LEHTINEN, Mrs. NORTHUP, Mr. BURTON of Indiana, Mr. HOSTETTLER, and Mr. RYUN of Kansas) 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 maximum amount allowable as an annual contribution to education individual retirement accounts from \$500 to \$2,000, phased in over 3 years.

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 “Education IRA Plus
5 Act of 2001”.

1 **SEC. 2. PHASED-IN INCREASE IN MAXIMUM ANNUAL CON-**
 2 **TRIBUTION TO EDUCATION INDIVIDUAL RE-**
 3 **TIREMENT ACCOUNTS.**

4 (a) PHASED-IN INCREASE IN MAXIMUM CONTRIBU-
 5 TION.—

6 (1) IN GENERAL.—Clause (iii) of section
 7 530(b)(1)(A) of the Internal Revenue Code of 1986
 8 is amended by striking “\$500” and inserting “the
 9 contribution limit for such taxable year”.

10 (2) DEFINITION.—Subsection (b) of section 530
 11 of such Code is amended by adding at the end the
 12 following new paragraph:

13 “(4) CONTRIBUTION LIMIT.—The term ‘con-
 14 tribution limit’ means—

15 “(A) \$1,000 for taxable years beginning in
 16 2002,

17 “(B) \$1,500 for taxable years beginning in
 18 2003, and

19 “(C) \$2,000 for taxable years beginning
 20 after 2004.”

21 (3) CONFORMING AMENDMENT.—Subparagraph
 22 (A) of section 4973(e)(1) of such Code is amended
 23 by striking “\$500” and inserting “the contribution
 24 limit (as defined in section 530(b)(4)) for such tax-
 25 able year”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2001.

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