

105TH CONGRESS
1ST SESSION

H. R. 2524

To amend the Internal Revenue Code of 1986 to allow the nonrefundable personal credits, the standard deduction, and the deduction for personal exemptions in determining alternative minimum tax liability.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 23, 1997

Mrs. KENNELLY of Connecticut (for herself, Mr. RANGEL, Mr. NEAL of Massachusetts, and Ms. RIVERS) 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 allow the nonrefundable personal credits, the standard deduction, and the deduction for personal exemptions in determining alternative minimum tax liability.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. NONREFUNDABLE PERSONAL CREDITS, THE**
 2 **STANDARD DEDUCTION, AND THE DEDUC-**
 3 **TION FOR PERSONAL EXEMPTIONS ALLOWED**
 4 **IN DETERMINING ALTERNATIVE MINIMUM**
 5 **TAX LIABILITY.**

6 (a) ALLOWANCE OF NONREFUNDABLE PERSONAL
 7 CREDITS.—Subsection (a) of section 26 of the Internal
 8 Revenue Code of 1986 (relating to limitation based on tax
 9 liability; definition of tax liability) is amended to read as
 10 follows:

11 “(a) LIMITATION BASED ON AMOUNT OF TAX.—The
 12 aggregate amount of credits allowed by this subpart for
 13 the taxable year shall not exceed the sum of—

14 “(1) the taxpayer’s regular tax liability for the
 15 taxable year, plus

16 “(2) the tax imposed by section 55 for such
 17 taxable year.”

18 (b) ALLOWANCE OF STANDARD DEDUCTION AND DE-
 19 Duction FOR PERSONAL EXEMPTIONS.—Paragraph (1)
 20 of section 56(b) of such Code is amended by striking sub-
 21 paragraph (E) and by redesignating subparagraph (F) as
 22 subparagraph (E).

23 (c) EFFECTIVE DATE.—The amendments made by
 24 this section shall apply to taxable years beginning after
 25 December 31, 1997.