

105TH CONGRESS  
2D SESSION

# H. R. 3097

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IN THE SENATE OF THE UNITED STATES

JUNE 18, 1998

Received; read twice and referred to the Committee on Finance

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## AN ACT

To terminate the Internal Revenue Code of 1986.

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. SHORT TITLE.**

2       This Act may be cited as the “Tax Code Termination  
3 Act”.

4 **SEC. 2. TERMINATION OF INTERNAL REVENUE CODE OF**  
5 **1986.**

6       (a) IN GENERAL.—No tax shall be imposed by the  
7 Internal Revenue Code of 1986—

8           (1) for any taxable year beginning after Decem-  
9 ber 31, 2002; and

10           (2) in the case of any tax not imposed on the  
11 basis of a taxable year, on any taxable event or for  
12 any period after December 31, 2002.

13       (b) EXCEPTION.—Subsection (a) shall not apply to  
14 taxes imposed by—

15           (1) chapter 2 of such Code (relating to tax on  
16 self-employment income);

17           (2) chapter 21 of such Code (relating to Fed-  
18 eral Insurance Contributions Act); and

19           (3) chapter 22 of such Code (relating to Rail-  
20 road Retirement Tax Act).

21 **SEC. 3. NEW FEDERAL TAX SYSTEM.**

22       (a) STRUCTURE.—The Congress hereby declares that  
23 any new Federal tax system should be a simple and fair  
24 system that—

25           (1) applies a low rate to all Americans;

26           (2) provides tax relief for working Americans;

1           (3) protects the rights of taxpayers and reduces  
2       tax collection abuses;

3           (4) eliminates the bias against savings and in-  
4       vestment;

5           (5) promotes economic growth and job creation;  
6       and

7           (6) does not penalize marriage or families.

8       (b) TIMING OF IMPLEMENTATION.—In order to en-  
9       sure an easy transition and effective implementation, the  
10      Congress hereby declares that any new Federal tax system  
11      should be approved by Congress in its final form no later  
12      than July 4, 2002.

Passed the House of Representatives June 17, 1998.

Attest:

ROBIN H. CARLE,

*Clerk.*