

105TH CONGRESS
2D SESSION

H. R. 4564

To amend the Internal Revenue Code of 1986 to provide that farm income may be allocated among taxable years.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 1998

Mr. RYUN 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 provide that farm income may be allocated among taxable 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 “Income Averaging Eq-
5 uity Act”.

6 **SEC. 2. AVERAGING OF FARM INCOME.**

7 (a) IN GENERAL.—Section 1301 of the Internal Rev-
8 enue Code of 1986 (relating to averaging of farm income)
9 is amended by redesignating subsections (b) and (c) as

1 subsections (c) and (d), respectively, and by inserting after
 2 subsection (a) the following new subsection:

3 “(b) ELECTION TO MOVE FARM INCOME AMONG
 4 TAXABLE YEARS.—

5 “(1) IN GENERAL.—In lieu of the election
 6 under subsection (a) for a taxable year, a taxpayer
 7 may elect to increase or decrease taxable income for
 8 the taxable year and the 3 previous taxable years by
 9 moving elected farm income from any of such tax-
 10 able years to any other of such taxable years.

11 “(2) APPLICATION TO SUBSEQUENT YEARS.—
 12 Any adjustment under this subsection for any tax-
 13 able year shall be taken into account in applying this
 14 section for any subsequent taxable year.

15 “(3) INTEREST.—For purposes of applying sec-
 16 tions 6601 and 6611 to returns modified under
 17 paragraph (1), the filing date (as defined in section
 18 6611(f)(4)(A)) for a returned modified by reason of
 19 paragraph (1) shall be the same as the filing date
 20 of the return for the current taxable year.”.

21 (b) CONFORMING AMENDMENTS.—

22 (1) The last sentence of subsection (a) of sec-
 23 tion 1301 of such Code is amended by striking “sec-
 24 tion” the first place it appears and inserting “sub-
 25 section”.

1 (2) Clause (ii) of section 1301(b)(1)(A) of such
2 Code is amended by inserting “or (b)” after “sub-
3 section (a)”.

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

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