

105TH CONGRESS
2D SESSION

H. R. 4765

To amend the Internal Revenue Code of 1986 to increase the amount allowable for qualified adoption expenses, to permanently extend the credit for adoption expenses, and to adjust the limitations on such credit for inflation.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 9, 1998

Mr. BILEY (for himself and Mr. GINGRICH) 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 amount allowable for qualified adoption expenses, to permanently extend the credit for adoption expenses, and to adjust the limitations on such credit for inflation.

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 “Hope for Children
5 Act”.

6 **SEC. 2. ADOPTION EXPENSES.**

7 (a) INCREASE IN AMOUNTS ALLOWED.—

1 (1) DOLLAR AMOUNT OF ALLOWED EX-
 2 PENSES.—Paragraph (1) of section 23(b) of the In-
 3 ternal Revenue Code of 1986 (relating to dollar limi-
 4 tation) is amended by striking “\$5,000” and all that
 5 follows and inserting “\$10,000.”.

6 (2) PHASE-OUT LIMITATION.—Clause (i) of sec-
 7 tion 23(b)(2)(A) of such Code (relating to income
 8 limitation) is amended by striking “\$75,000” and
 9 inserting “\$150,000”.

10 (b) REPEAL OF SUNSET ON CHILDREN WITHOUT
 11 SPECIAL NEEDS.—Paragraph (2) of section 23(d) of such
 12 Code (relating to definition of eligible child) is amended
 13 to read as follows:

14 “(2) ELIGIBLE CHILD.—The term ‘eligible
 15 child’ means any individual who—

16 “(A) has not attained age 18, or

17 “(B) is physically or mentally incapable of
 18 caring for himself.”.

19 (c) ADJUSTMENT OF DOLLAR AND INCOME LIMITA-
 20 TIONS FOR INFLATION.—Section 23 of such Code is
 21 amended by redesignating subsection (h) as subsection (i)
 22 and by inserting after subsection (g) the following new
 23 subsection:

24 “(h) ADJUSTMENTS FOR INFLATION.—In the case of
 25 a taxable year beginning after December 31, 1999, each

1 of the dollar amounts in subsections (b)(1) and
2 (b)(2)(A)(i) shall be increased by an amount equal to—

3 “(1) such dollar amount, multiplied by

4 “(2) the cost-of-living adjustment determined
5 under section 1(f)(3) for the calendar year in which
6 the taxable year begins, determined by substituting
7 ‘calendar year 1998’ for ‘calendar year 1992’ in sub-
8 paragraph (B) thereof.”.

9 (d) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to taxable years beginning after
11 December 31, 1998.

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