

105TH CONGRESS
1ST SESSION

S. 181

To amend the Internal Revenue Code of 1986 to provide that installment sales of certain farmers not be treated as a preference item for purposes of the alternative minimum tax.

IN THE SENATE OF THE UNITED STATES

JANUARY 22, 1997

Mr. GRASSLEY (for himself, Mr. DORGAN, Mr. GORTON, Mr. BAUCUS, Mr. LOTT, Mr. NICKLES, Mr. GRAMM, Mr. HATCH, Mr. BREAUX, Ms. MOSELEY-BRAUN, Mr. CONRAD, Mr. KERREY, Mr. DASCHLE, Mr. SHELBY, Mr. BUMPERS, Mr. HUTCHINSON, Mr. MCCAIN, Mrs. FEINSTEIN, Mr. CAMPBELL, Mr. HARKIN, Mr. CRAIG, Mr. KEMPTHORNE, Mr. DURBIN, Mr. LUGAR, Mr. COATS, Mr. BROWNBACK, Mr. ROBERTS, Mr. FORD, Mr. McCONNELL, Mr. SARBANES, Ms. SNOWE, Mr. ABRAHAM, Mr. GRAMS, Mr. BOND, Mr. COCHRAN, Mr. BURNS, Mr. HELMS, Mr. HAGEL, Mr. BINGAMAN, Mr. DEWINE, Mr. INHOFE, Mr. WYDEN, Mr. JOHNSON, Mrs. HUTCHISON, Mr. WARNER, Mrs. MURRAY, Mr. ENZI, Mr. KOHL, Ms. MIKULSKI, Mrs. BOXER, Mr. ROBB, Mr. GREGG, Mr. ASHCROFT, and Mr. WELLSTONE) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide that installment sales of certain farmers not be treated as a preference item for purposes of the alternative minimum tax.

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 “Family Farm Alter-
3 native Minimum Tax Relief Act of 1997”.

4 **SEC. 2. MINIMUM TAX NOT TO APPLY TO FARMERS’**
5 **INSTALLMENT SALES.**

6 (a) IN GENERAL.—The last sentence of paragraph
7 (6) of section 56(a) (relating to treatment of installment
8 sales in computing alternative minimum taxable income)
9 is amended to read as follows: “This paragraph shall not
10 apply to any disposition—

11 “(A) in the case of a taxpayer using the
12 cash receipts and disbursements method of ac-
13 counting, described in section 453(l)(2)(A) (re-
14 lating to farm property), or

15 “(B) with respect to which an election is in
16 effect under section 453(l)(2)(B) (relating to
17 timeshares and residential lots).”

18 (b) EFFECTIVE DATES.—

19 (1) IN GENERAL.—The amendment made by
20 this section shall apply to taxable years beginning
21 after December 31, 1987.

22 (2) SPECIAL RULE FOR 1987.—In the case of
23 taxable years beginning in 1987, the last sentence of
24 section 56(a)(6) of the Internal Revenue Code of
25 1986 (as in effect for such taxable years) shall be
26 applied by inserting “ or in the case of a taxpayer

1 using the cash receipts and disbursements method of
2 accounting, any disposition described in section
3 453(l)(2)(A)” after “section 453C(e)(4)”.

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