

105TH CONGRESS
1ST SESSION

S. 832

To amend the Internal Revenue Code of 1986 to increase the deductibility of business meal expenses for individuals who are subject to Federal limitations on hours of service.

IN THE SENATE OF THE UNITED STATES

JUNE 5, 1997

Mr. KOHL (for himself, Mr. KERREY, Mr. HARKIN, Mr. HATCH, Mr. HAGEL, and Mr. GRASSLEY) 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 increase the deductibility of business meal expenses for individuals who are subject to Federal limitations on hours of service.

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. INCREASED DEDUCTIBILITY OF BUSINESS**
4 **MEAL EXPENSES FOR INDIVIDUALS SUBJECT**
5 **TO FEDERAL LIMITATIONS ON HOURS OF**
6 **SERVICE.**

7 (a) IN GENERAL.—Section 274(n) of the Internal
8 Revenue Code of 1986 (relating to only 50 percent of meal

1 and entertainment expenses allowed as deduction) is
2 amended by adding at the end the following new para-
3 graph:

4 “(3) SPECIAL RULE FOR INDIVIDUALS SUBJECT
5 TO FEDERAL LIMITATIONS ON HOURS OF SERV-
6 ICE.—In the case of any expenses for food or bev-
7 erages consumed by an individual during, or incident
8 to, any period of duty which is subject to the hours
9 of service limitations of the Department of Trans-
10 portation, paragraph (1) shall be applied by sub-
11 stituting ‘80 percent’ for ‘50 percent’.”

12 (b) EFFECTIVE DATE.—The amendment made by
13 subsection (a) shall apply to taxable years beginning after
14 December 31, 1997.

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