

106TH CONGRESS
2D SESSION

H. R. 3620

To amend the Internal Revenue Code of 1986 to allow individuals an additional IRA deduction based on unused amounts of deduction limitation in prior years.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 10, 2000

Mr. HORN (for himself, Mr. HOUGHTON, Mrs. JOHNSON of Connecticut, Mr. GILMAN, Mr. BILBRAY, Mr. BOEHLERT, Mr. CALVERT, Mr. OXLEY, Mrs. BIGGERT, Mr. GALLEGLY, Mr. GIBBONS, Mr. GILCHREST, Mr. GREENWOOD, Mr. HEFLEY, Mr. ISTOOK, Mr. KINGSTON, Mr. KUYKENDALL, Mr. LAHOOD, Mr. MICA, Mr. PAUL, Ms. PRYCE of Ohio, Mr. SMITH of Michigan, Mr. WELDON of Pennsylvania, and Mr. WALDEN of Oregon) 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 allow individuals an additional IRA deduction based on unused amounts of deduction limitation in prior 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 “____ Act of 1999”.

1 **SEC. 2. MAXIMUM IRA DEDUCTION INCREASED BY POR-**
2 **TION OF UNUSED PRIOR DEDUCTION LIMITA-**
3 **TIONS.**

4 (a) IN GENERAL.—Subparagraph (A) of section
5 219(b)(1) of the Internal Revenue Code of 1986 (relating
6 to maximum amount of deduction) is amended to read as
7 follows:

8 “(A) the sum of—
9 “(i) \$2,000, and
10 “(ii) the lesser of—
11 “(I) \$2,000, or
12 “(II) the aggregate of the unused
13 deduction limitations (as defined in
14 paragraph (5)) for all prior taxable
15 years, or”.

16 (b) UNUSED DEDUCTION LIMITATION.—Subsection
17 (b) of section 219 of such Code is amended by adding at
18 the end the following new paragraph:

19 “(5) UNUSED DEDUCTION LIMITATION.—For
20 purposes of paragraph (1), the unused deduction
21 limitation for any prior taxable year is the excess
22 of—

23 “(A) the lesser of—
24 “(i) \$2,000, or

1 “(ii) the compensation includible in
2 the individual’s gross income for such tax-
3 able year, over

4 “(B) the amount of qualified retirement
5 contributions of such individual for such taxable
6 year.”

7 (c) CONFORMING AMENDMENTS.—Sections
8 408(a)(1), 408(b), 408(j), and 408(p)(8) of such Code are
9 each amended by striking “\$2,000” each place it appears
10 and inserting “\$4,000”.

11 (d) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 the date of the enactment of this Act.

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