

106TH CONGRESS
1ST SESSION

H. R. 766

To amend the Internal Revenue Code of 1986 to increase the amount of
the personal exemption.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 1999

Mr. THUNE (for himself, Ms. DUNN, Mr. WELLER, Mr. COOKSEY, and Mr.
CHABOT) introduced the following bill; which was referred to the Commit-
tee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to increase
the amount of the personal exemption.

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 “Taxpayer Choice Act
5 of 1999”.

6 **SEC. 2. FINDINGS.**

7 The Congress hereby finds that—

8 (1) the first Federal budget surplus in almost
9 30 years was realized at the end of fiscal year 1998
10 and additional annual surpluses are anticipated;

1 (2) in anticipation of such surpluses, a system-
 2 atic plan should be put in place to retire our
 3 \$5,500,000,000,000 debt while restoring the social
 4 security and other trust funds; and

5 (3) once such a plan has been adopted in the
 6 context of a balanced Federal budget and as an al-
 7 ternative to new Government spending, Congress
 8 should provide broad-based tax relief that will allow
 9 hard-working Americans to keep more of what they
 10 earn and the freedom to provide for their own needs.

11 **SEC. 3. INCREASE IN AMOUNT OF PERSONAL EXEMPTION.**

12 (a) IN GENERAL.—Paragraph (1) of section 151(d)
 13 of the Internal Revenue Code of 1986 (relating to exemp-
 14 tion amount) is amended by striking “\$2,000” and insert-
 15 ing “\$3,500”.

16 (b) CONFORMING AMENDMENTS.—

17 (1) Subparagraph (C) of section 151(d)(3) of
 18 such Code is amended—

19 (A) by striking “\$150,000” and inserting
 20 “\$189,950”,

21 (B) by striking “\$125,000” and inserting
 22 “\$158,300”,

23 (C) by striking “\$100,000” and inserting
 24 “\$126,600”, and

1 (D) by striking “\$75,000” and inserting
2 “\$94,975”.

3 (2) Paragraph (4) of section 151(d) of such
4 Code is amended to read as follows:

5 “(4) INFLATION ADJUSTMENT.—In the case of
6 any taxable year beginning in a calendar year after
7 1999, the dollar amount contained in paragraph (1),
8 and each dollar amount contained in paragraph
9 (3)(C), shall be increased by an amount equal to—

10 “(A) such dollar amount, multiplied by

11 “(B) the cost-of-living adjustment deter-
12 mined under section 1(f)(3) for the calendar
13 year in which the taxable year begins, by sub-
14 stituting ‘calendar year 1998’ for ‘calendar year
15 1992’ in subparagraph (B) thereof.”.

16 (3) Subparagraph (B) of section 1(f)(6) of such
17 Code is amended by striking “151(d)(4)(A))” and
18 inserting “151(d)(4) as it applies to section
19 151(d)(1))”.

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to taxable years beginning after
22 December 31, 1998.

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