

106TH CONGRESS
1ST SESSION

S. 1207

To amend the Internal Revenue Code of 1986 to ensure that income averaging for farmers not increase a farmer's liability for the alternative minimum tax.

IN THE SENATE OF THE UNITED STATES

JUNE 10, 1999

Mr. KOHL (for himself, Mr. BURNS, and Mr. HAGEL) 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 ensure that income averaging for farmers not increase a farmer's liability for 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Farmer Tax Fairness
5 Act”.

1 **SEC. 2. INCOME AVERAGING FOR FARMERS NOT TO IN-**
2 **CREASE ALTERNATIVE MINIMUM TAX LIABIL-**
3 **ITY.**

4 (a) **IN GENERAL.**—Section 55(c) of the Internal Rev-
5 enue Code of 1986 (defining regular tax) is amended by
6 redesignating paragraph (2) as paragraph (3) and by in-
7 serting after paragraph (1) the following:

8 “(2) **COORDINATION WITH INCOME AVERAGING**
9 **FOR FARMERS.**—Solely for purposes of this section,
10 section 1301 (relating to averaging of farm income)
11 shall not apply in computing the regular tax.”

12 (b) **EFFECTIVE DATE.**—The amendments made by
13 this section shall apply to taxable years beginning after
14 December 31, 1997.

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