

106TH CONGRESS  
2D SESSION

# S. 2053

To amend the Internal Revenue Code of 1986 to provide marriage tax penalty relief for earned income credit.

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 10, 2000

Mr. JEFFORDS introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to provide marriage tax penalty relief for earned income credit.

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. MARRIAGE TAX PENALTY RELIEF FOR EARNED**  
4       **INCOME CREDIT.**

5       (a) IN GENERAL.—Paragraph (2) of section 32(b) of  
6       the Internal Revenue Code of 1986 (relating to percent-  
7       ages and amounts) is amended—

8               (1) by striking “AMOUNTS.—The earned” and  
9       inserting “AMOUNTS.—

1                   “(A) IN GENERAL.—Subject to subpara-  
2                   graph (B), the earned”, and

3                   (2) by adding at the end the following new sub-  
4                   paragraph:

5                   “(B) JOINT RETURNS.—In the case of a  
6                   joint return, the phaseout amount determined  
7                   under subparagraph (A) shall be increased by  
8                   \$3,500.”.

9                   (b) INFLATION ADJUSTMENT.—Paragraph (1)(B) of  
10                  section 32(j) of the Internal Revenue Code of 1986 (relat-  
11                  ing to inflation adjustments) is amended to read as fol-  
12                  lows:

13                   “(B) the cost-of-living adjustment deter-  
14                   mined under section 1(f)(3) for the calendar  
15                   year in which the taxable year begins,  
16                   determined—

17                   “(i) in the case of amounts in sub-  
18                   sections (b)(1)(A) and (i)(1), by sub-  
19                   stituting ‘calendar year 1995’ for ‘calendar  
20                   year 1992’ in subparagraph (B) thereof,  
21                   and

22                   “(ii) in the case of the \$3,500 amount  
23                   in subsection (b)(1)(B), by substituting  
24                   ‘calendar year 2000’ for ‘calendar year

1                   1992’ in subparagraph (B) of such section  
2                   1.”.

3           (c) ROUNDING.—Section 32(j)(2)(A) of the Internal  
4 Revenue Code of 1986 (relating to rounding) is amended  
5 by striking “subsection (b)(2)” and inserting “subsection  
6 (b)(2)(A) (after being increased under subparagraph (B)  
7 thereof)”.

8           (d) EFFECTIVE DATE.—The amendments made by  
9 this section shall apply to taxable years beginning after  
10 December 31, 2000.

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