

106TH CONGRESS  
1ST SESSION

# S. 284

To amend the Internal Revenue Code of 1986 to eliminate the marriage penalty by increasing the standard deduction for married individuals filing joint returns to twice the standard deduction for unmarried individuals.

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## IN THE SENATE OF THE UNITED STATES

JANUARY 21, 1999

Mr. MCCAIN 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 eliminate the marriage penalty by increasing the standard deduction for married individuals filing joint returns to twice the standard deduction for unmarried individuals.

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; AMENDMENT OF 1986 CODE.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “Marriage Penalty Elimination Act of 1999”.

6       (b) ELIMINATION OF 1986 CODE.—Except as other-  
7       wise expressly provided, whenever in this Act an amend-  
8       ment or repeal is expressed in terms of an amendment

1 to, or repeal of, a section or other provision, the reference  
 2 shall be considered to be made to a section or other provi-  
 3 sion of the Internal Revenue Code of 1986.

4 **SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STAND-**  
 5 **ARD DEDUCTION.**

6 (a) IN GENERAL.—Section 63(c) (relating to stand-  
 7 ard deduction) is amended by adding at the end the follow-  
 8 ing new paragraph:

9 “(7) ELIMINATION OF MARRIAGE PENALTY FOR  
 10 JOINT FILERS.—

11 “(A) IN GENERAL.—In the case of a joint  
 12 return or a surviving spouse (as defined in sec-  
 13 tion 2(a)), the basic standard deduction under  
 14 paragraph (2)(A) shall be increased by an  
 15 amount equal to the applicable percentage of  
 16 the excess of—

17 “(i) 200 percent of the basic standard  
 18 deduction in effect for the taxable year  
 19 under paragraph (2)(C), over

20 “(ii) the basic standard deduction in  
 21 effect for the taxable year under paragraph  
 22 (2)(A) (without regard to this paragraph).

23 “(B) APPLICABLE PERCENTAGE.—For  
 24 purposes of subparagraph (A), the applicable  
 25 percentage shall be determined as follows:

**“For taxable years beginning    The applicable percentage is:  
in calendar year:**

1999 .....	20
2000 .....	40
2001 .....	60
2002 .....	80
2003 and thereafter .....	100.”

1            (b)            CONFORMING            AMENDMENT.—Section  
2 63(c)(2)(A) is amended by inserting “except as provided  
3 in paragraph (7),” before “\$5,000”.

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

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