

106TH CONGRESS
1ST SESSION

S. 506

To amend the Internal Revenue Code of 1986 to permanently extend the provisions which allow nonrefundable personal credits to be fully allowed against regular tax liability.

IN THE SENATE OF THE UNITED STATES

MARCH 2, 1999

Mrs. LINCOLN (for herself, Mr. MOYNIHAN, Mr. BREAUX, Mr. KERREY, Ms. LANDRIEU, and Mr. COCHRAN) 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 permanently extend the provisions which allow nonrefundable personal credits to be fully allowed against regular tax liability.

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. NONREFUNDABLE PERSONAL CREDITS FULLY**
4 **ALLOWED AGAINST REGULAR TAX LIABILITY.**

5 (a) IN GENERAL.—Section 26(a) of the Internal Rev-
6 enue Code of 1986 (relating to limitation based on amount
7 of tax) is amended to read as follows:

8 “(a) LIMITATION BASED ON AMOUNT OF TAX.—The
9 aggregate amount of credits allowed by this subpart for

1 the taxable year shall not exceed the taxpayer's regular
2 tax liability for the taxable year.”

3 (b) CONFORMING AMENDMENT.—Section 24(d) of
4 the Internal Revenue Code of 1986 is amended by striking
5 paragraph (2) and by redesignating paragraph (3) as
6 paragraph (2).

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

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