

107TH CONGRESS  
2D SESSION

# H. R. 3704

To amend the Internal Revenue Code of 1986 to allow a deduction to individuals for credit card interest.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2002

Mr. MEEKS of New York introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a deduction to individuals for credit card interest.

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 “Consumer Credit Card  
5       Compensation and Economic Incentive Act of 2002”.

**6 SEC. 2. ALLOWANCE OF DEDUCTION FOR INDIVIDUALS FOR**

**7                   CREDIT CARD INTEREST.**

8       (a) IN GENERAL.—Paragraph (2) of section 163(h)  
9       of the Internal Revenue Code of 1986 (relating to dis-  
10      allowance of deduction for personal interest) is amended

1 by striking “and” at the end of subparagraph (E), by  
2 striking the period and inserting “, and” at the end of  
3 subparagraph (F), and by adding at the end the following  
4 new subparagraph:

5                 “(G) interest paid on amounts charged to  
6                 a credit card during taxable years beginning  
7                 after December 31, 2001, and before January  
8                 1, 2007.”.

9                 (b) LIMITATION.—Section 163(h) of such Code is  
10 amended by adding at the end the following new para-  
11 graph:

12                 “(6) LIMITATION ON CREDIT CARD INTER-  
13                 EST.—The amount of interest which may be taken  
14                 into account for purposes of paragraph (2)(G) may  
15                 not exceed \$5,000 for any taxable year.”.

16                 (c) EFFECTIVE DATE.—The amendments made by  
17 this Act shall apply to taxable years beginning after De-  
18 cember 31, 2001.

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