

107TH CONGRESS
2D SESSION

H. R. 3742

To amend the Internal Revenue Code of 1986 to expand the earned income tax credit for individuals with no qualifying children.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 13, 2002

Mr. DAVIS of Illinois introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to expand the earned income tax credit for individuals with no qualifying children.

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. EXPANSION OF EARNED INCOME TAX CREDIT.**

4 (a) INCREASE IN CREDIT PERCENTAGE.—The table
5 in subparagraph (A) of section 32(b)(1) of the Internal
6 Revenue Code of 1986 (relating to percentages) is amend-
7 ed by striking “7.65” both places it appears and inserting
8 “15.3”.

9 (b) INCREASE IN EARNED INCOME AMOUNT.—The
10 table in subparagraph (A) of section 32(b)(2) of such Code

1 (relating to amounts) is amended by striking “\$4,220”
 2 and inserting “\$7,000”.

3 (c) INCREASE IN PHASEOUT AMOUNT.—The table in
 4 subparagraph (A) of section 32(b)(2) of such Code (relat-
 5 ing to amounts) is amended by striking “\$5,280” and in-
 6 serting “\$12,800”.

7 (d) INFLATION ADJUSTMENTS.—Subparagraph (B)
 8 of section 32(j)(1) of such Code is amended—

9 (1) in clause (i) by inserting “(other than
 10 amounts relating to no qualifying children)” after
 11 “subsections (b)(2)(A)”, and

12 (2) by striking “and” at the end of clause (i),
 13 by redesignating clause (ii) and clause (iii), and by
 14 inserting after clause (i) the following new clause:

15 “(ii) in case of amounts in subsection
 16 (b)(2)(A) relating to no qualifying chil-
 17 dren, by substituting ‘calendar year 2001’
 18 for ‘calendar year 1992’ in subparagraph
 19 (B) of such section 1, and”.

20 (e) EFFECTIVE DATE.—The amendments made by
 21 this section shall apply to taxable years beginning after
 22 December 31, 2001.

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