

107TH CONGRESS
1ST SESSION

H. R. 838

To amend the Internal Revenue Code of 1986 to allow individuals who are exempt from the self-employment tax by reason of their religious beliefs to establish Keogh plans, etc.

IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 2001

Mr. PITTS (for himself, Mr. PORTMAN, Mr. ENGLISH, Mr. REGULA, Mr. PETERSON of Pennsylvania, and Mr. SOUDER) 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 allow individuals who are exempt from the self-employment tax by reason of their religious beliefs to establish Keogh plans, etc.

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. AVAILABILITY OF PENSION PLANS TO SELF-EM-
4 PLOYED INDIVIDUALS WHO ARE EXEMPT
5 FROM THE SELF-EMPLOYMENT TAX BY REA-
6 SON OF THEIR RELIGIOUS BELIEFS.**

7 (a) IN GENERAL.—Subparagraph (A) of section
8 401(c)(2) of the Internal Revenue Code of 1986 (defining

1 earned income) is amended by adding at the end thereof
2 the following new sentence: “This subparagraph shall be
3 applied as if the term ‘trade or business’ for purposes of
4 section 1402 included service described in section
5 1402(c)(6).”.

6 (b) SIMPLE RETIREMENT ACCOUNTS.—Clause (ii) of
7 section 408(p)(6)(A) of such Code (defining self-em-
8 ployed) is amended by adding at the end the following new
9 sentence: “The preceding sentence shall be applied as if
10 the term ‘trade or business’ for purposes of section 1402
11 included service described in section 1402(c)(6).”.

12 (c) TECHNICAL AMENDMENT.—Paragraph (1) of sec-
13 tion 219(f) of such Code is amended by striking the last
14 sentence.

15 (d) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to taxable years beginning after
17 the date of the enactment of this Act.

