

108TH CONGRESS
1ST SESSION

H. R. 1804

To raise revenue and reduce large and increasing Federal budget deficits
due to the cost of the war in Iraq.

IN THE HOUSE OF REPRESENTATIVES

APRIL 11, 2003

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

A BILL

To raise revenue and reduce large and increasing Federal
budget deficits due to the cost of the war in Iraq.

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 “Domestic Budget Pro-
5 tection Act of 2003”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds:

8 (1) The Congress, after review of Congressional
9 Budget Office estimates and other expert opinions,
10 finds that for a prolonged period the amount of reve-

1 nues collected will be substantially less than the pro-
2 jected Federal expenditures thereby placing burdens
3 and constraints on the budget and appropriations
4 decision-making process.

5 (2) The Congress finds that the budget/appro-
6 priations for Defense, driven by the war and occupa-
7 tion of Iraq, is likely to grow rapidly and uncontrol-
8 lably. These obligations will place intense strains on
9 the Budget/Appropriations process.

10 (3) The Congress finds that already certain
11 vital federally funded programs are experiencing dev-
12 astating federal financial assistance cuts. More spe-
13 cifically, assistance for Education, Public Housing,
14 Medicaid, Medicare and Temporary Aid to Needy
15 Families (TANF) are being subjected to unaccept-
16 able cuts.

17 (4) The Congress finds that there is an estab-
18 lished precedent for the long-term financing of a
19 U.S. War effort. A special tax on the profits of the
20 nation's largest corporations would be in accordance
21 with previous precedents: World War I, World War
22 II, Korea and Vietnam.

23 (5) The Congress finds that in the last 25 years
24 corporations have steadily borne less and less of the
25 overall tax burden. The corporate share of the tax

1 the tax imposed under section 11 for such taxable
2 year (determined without regard to this section).

3 “(2) TREATMENT OF CERTAIN TAXES.—For
4 purposes of paragraph (1), a tax shall be treated as
5 imposed under section 11 if the amount of such tax
6 is determined by reference to the provisions of sec-
7 tion 11 (or by reference to any rate contained there-
8 in).

9 “(b) MINIMUM TAX.—In the case of a specified cor-
10 poration, the amount of the tentative minimum tax deter-
11 mined under section 55 for any taxable year shall be in-
12 creased by the applicable surtax percentage of the amount
13 of the tentative minimum tax for such taxable year (deter-
14 mined without regard to this section).

15 “(c) DEFINITIONS.—For purposes of this section—

16 “(1) SPECIFIED CORPORATION.—The term
17 ‘specified corporation’ means any corporation if the
18 aggregate gross assets of the corporation (as defined
19 in section 1202(d)) (or any predecessor thereof) at
20 any time during the taxable year or any prior tax-
21 able year after the date of the enactment of this sec-
22 tion exceeds \$10,000,000.

23 “(2) APPLICABLE SURTAX PERCENTAGE.—The
24 term ‘applicable surtax percentage’ means, with re-
25 spect to a taxable year beginning in a calendar year,

1 percentage specified by the Secretary as the amount
2 necessary to fund the war in Iraq for such calendar
3 year.

4 “(d) COORDINATION WITH OTHER PROVISIONS.—
5 The provisions of this section shall be applied—

6 “(1) after the application of section 1201 and
7 801(a)(2), but

8 “(2) before the application of any other provi-
9 sion of this title which refers to the amount of tax
10 imposed by section 11 or 55, as the case may be.

11 No penalty shall be imposed by section 6655 by reason
12 of amounts imposed by this section.

13 “(e) APPLICATION OF SECTION.—For purposes of
14 subsection (c)(2), there shall not be taken into account—

15 “(1) expenditures before March 1, 2003, and

16 “(2) expenditures after the earliest date that no
17 member of the Armed Forces of the United States
18 is serving on active duty in Iraq.”

19 (b) CLERICAL AMENDMENT.—The table of parts for
20 subchapter A of chapter 1 of such Code is amended by
21 adding at the end thereof the following new item:

“Part VIII. Corporate tax surcharge to reduce deficit.”

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to taxable years beginning after
24 December 31, 2002.