

108TH CONGRESS
2D SESSION

H. R. 4221

To amend the Internal Revenue Code of 1986 to reduce for individuals the maximum rate of tax on unrecaptured section 1250 gain from 25 percent to 15 percent.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2004

Mr. ENGLISH 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 reduce for individuals the maximum rate of tax on unrecaptured section 1250 gain from 25 percent to 15 percent.

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. REDUCTION FOR INDIVIDUALS IN MAXIMUM**
4 **CAPITAL GAINS RATES ON UNRECAPTURED**
5 **SECTION 1250 GAIN.**

6 (a) REGULAR TAX.—

7 (1) Paragraph (1) of section 1(h) of the Inter-
8 nal Revenue Code of 1986 (relating to maximum
9 capital gains rate) is amended by adding “and” at

1 the end of subparagraph (C), by striking subpara-
2 graph (D), and by redesignating subparagraph (E)
3 as subparagraph (D).

4 (2) Paragraph (3) of section 1(h) of such Code
5 is amended by striking “the sum of—” and all that
6 follows and inserting “28-percent rate gain.”

7 (3) Subsection (h) of section 1 of such Code is
8 amended by striking paragraph (6) and by redesign-
9 ating paragraphs (7) through (11) as paragraphs
10 (6) through (10), respectively.

11 (b) MINIMUM TAX.—

12 (1) Clause (ii) of section 55(b)(3)(A) of such
13 Code is amended to read as follows:

14 “(ii) the adjusted net capital gain,
15 plus”.

16 (2) Paragraph (3) of section 55(b) of such Code
17 is amended by striking “plus” at the end of sub-
18 paragraph (C) and inserting a period and by strik-
19 ing subparagraph (D).

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to taxable years beginning after
22 the date of the enactment of this Act.

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