

Calendar No. 518

108TH CONGRESS
2D SESSION

H. R. 4275

IN THE SENATE OF THE UNITED STATES

MAY 17, 2004

Received and read the first time

MAY 18, 2004

Read the second time and placed on the calendar

AN ACT

To amend the Internal Revenue Code of 1986 to permanently extend the 10-percent individual income tax rate bracket.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. EXTENSION OF 10-PERCENT INDIVIDUAL IN-**
2 **COME TAX RATE BRACKET.**

3 (a) IN GENERAL.—Clause (i) of section 1(i)(1)(B) of
4 the Internal Revenue Code of 1986 (relating to the initial
5 bracket amount) is amended to read as follows:

6 “(i) \$14,000 in the case of subsection
7 (a),”.

8 (b) INFLATION ADJUSTMENT BEGINNING IN 2004.—
9 Section 1(i)(1)(C) of such Code (relating to inflation ad-
10 justment) is amended to read as follows:

11 “(C) INFLATION ADJUSTMENT.—In pre-
12 scribing the tables under subsection (f) which
13 apply with respect to taxable years beginning in
14 calendar years after 2003—

15 “(i) the cost-of-living adjustment used
16 in making adjustments to the initial brack-
17 et amount shall be determined under sub-
18 section (f)(3) by substituting ‘2002’ for
19 ‘1992’ in subparagraph (B) thereof, and

20 “(ii) such adjustment shall not apply
21 to the amount referred to in subparagraph
22 (B)(iii).

23 If any amount after adjustment under the pre-
24 ceding sentence is not a multiple of \$50, such
25 amount shall be rounded to the next lowest
26 multiple of \$50.”.

5 Title IX of the Economic Growth and Tax Relief Rec-
6 onciliation Act of 2001 shall not apply to—

9 (2) the amendments made by paragraphs
10 (1) and (7) of section 101(c) of such Act.

Attest: **JEFF TRANDAH**,
Clerk.

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