

108TH CONGRESS
2D SESSION

H. R. 4288

To amend the Internal Revenue Code of 1986 to increase the exemption amounts for individuals under the alternative minimum tax.

IN THE HOUSE OF REPRESENTATIVES

MAY 5, 2004

Mr. ISRAEL 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 increase the exemption amounts for individuals under the alternative minimum tax.

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. INCREASE IN EXEMPTION AMOUNTS FOR INDIVIDUALS UNDER ALTERNATIVE MINIMUM TAX.**

6 (a) IN GENERAL.—Paragraph (1) of section 55(d) of
7 the Internal Revenue Code of 1986 is amended—

8 (1) by striking “\$45,000 (\$58,000 in the case
9 of taxable years beginning in 2003 and 2004)” and
10 inserting “\$100,000”, and

1 (2) by striking “\$33,750 (\$40,250 in the case
2 of taxable years beginning in 2003 and 2004)” and
3 inserting “75 percent of the dollar amount applica-
4 ble under subparagraph (A)”.

5 (b) INCREASE IN THRESHOLD FOR PHASING OUT
6 EXEMPTION AMOUNT.—Subparagraphs (A), (B), and (C)
7 of section 55(d)(3) of such Code are amended to read as
8 follows:

9 “(A) \$250,000 in the case of a taxpayer
10 described in paragraph (1)(A) or (2), and

11 “(B) 50 percent of the dollar amount ap-
12 plicable under subparagraph (A) in the case of
13 a taxpayer described in subparagraph (B), (C),
14 or (D) of paragraph (1).”

15 (c) INCREASE IN RATE OF PHASE-OUT OF EXEMP-
16 TION AMOUNT.—Paragraph (3) of section 55(d) of such
17 Code is amended by striking “25 percent” and inserting
18 “50 percent”.

19 (d) INFLATION ADJUSTMENT OF EXEMPTION AND
20 THRESHOLD AMOUNTS.—Subsection (d) of section 55 of
21 such Code is amended by adding at the end the following
22 new paragraph:

23 “(4) INFLATION ADJUSTMENT OF EXEMPTION
24 AND THRESHOLD AMOUNTS FOR INDIVIDUALS.—In
25 the case of any taxable year beginning in a calendar

1 year after 2005, each of the dollar amounts set forth
2 in paragraphs (1)(A) and (3)(A) shall be increased
3 by an amount equal to—

4 “(A) such dollar amount, multiplied by

5 “(B) the cost-of-living adjustment deter-
6 mined under section 1(f)(3) for such calendar
7 year by substituting ‘calendar year 2004’ for
8 ‘calendar year 1992’ in subparagraph (B)
9 thereof.

10 If any amount as adjusted under the preceding sentence
11 is not a multiple of \$1,000, such amount shall be rounded
12 to the nearest multiple of \$1,000.”.

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

16 (f) COORDINATION WITH SUNSET OF BENEFITS.—
17 Title IX of the Economic Growth and Tax Relief Rec-
18 onciliation Act of 2001 shall not apply to the amendments
19 made by this section.

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