

108TH CONGRESS
1ST SESSION

S. 120

To eliminate the marriage tax penalty permanently in 2003.

IN THE SENATE OF THE UNITED STATES

JANUARY 9, 2003

Mrs. HUTCHISON (for herself, Mr. BAYH, Mr. BROWNBACK, Mr. HAGEL, Mr. FITZGERALD, Mr. CORNYN, Mr. COCHRAN, and Mr. BURNS) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To eliminate the marriage tax penalty permanently in 2003.

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 “Marriage Penalty Re-
5 lief Act of 2003”.

6 **SEC. 2. ACCELERATION OF MARRIAGE PENALTY RELIEF**
7 **PROVISIONS.**

8 (a) **ELIMINATION OF MARRIAGE PENALTY IN STAND-
9 ARD DEDUCTION.—**

8 (B) by adding “or” at the end of subparagraph-
9 graph (B);

10 (C) by striking “in the case of” and all
11 that follows in subparagraph (C) and inserting
12 “in any other case.”; and

13 (D) by striking subparagraph (D).

14 (2) TECHNICAL AMENDMENTS.—

15 (A) Subparagraph (B) of section 1(f)(6) of
16 such Code is amended by striking “(other than
17 with” and all that follows through “shall be ap-
18 plied” and inserting “(other than with respect
19 to sections 63(c)(4) and 151(d)(4)(A)) shall be
20 applied”.

21 (B) Paragraph (4) of section 63(c) of such
22 Code is amended by adding at the end the fol-
23 lowing flush sentence:

24 "The preceding sentence shall not apply to the
25 amount referred to in paragraph (2)(A).".

4 (b) ELIMINATION OF MARRIAGE PENALTY IN 15-
5 PERCENT BRACKET.—

11 “(8) ELIMINATION OF MARRIAGE PENALTY IN
12 15-PERCENT BRACKET.—

13 “(A) IN GENERAL.—With respect to tax-
14 able years beginning after December 31, 2002,
15 in prescribing the tables under paragraph (1)—

1 “(ii) the comparable taxable income
2 amounts in the table contained in sub-
3 section (d) shall be ½ of the amounts de-
4 termined under clause (i).

5 “(B) ROUNDING.—If any amount deter-
6 mined under subparagraph (A)(i) is not a mul-
7 tiple of \$50, such amount shall be rounded to
8 the next lowest multiple of \$50.”.

9 (2) TECHNICAL AMENDMENTS.—

10 (A) Subparagraph (A) of section 1(f)(2) of
11 such Code is amended by inserting “except as
12 provided in paragraph (8),” before “by increas-
13 ing”.

14 (B) The heading for subsection (f) of sec-
15 tion 1 is amended by inserting “ELIMINATION
16 OF MARRIAGE PENALTY IN 15-PERCENT
17 BRACKET;” before “ADJUSTMENTS”.

18 (3) EFFECTIVE DATE.—The amendments made
19 by this subsection shall apply to taxable years begin-
20 ning after December 31, 2002.

21 (c) MARRIAGE PENALTY RELIEF FOR EARNED IN-
22 COME CREDIT.—

23 (1) INCREASED PHASEOUT AMOUNT.—

24 (A) IN GENERAL.—Section 32(b)(2)(B) of
25 the Internal Revenue Code of 1986 (relating to

1 amounts) is amended by striking “increased
2 by—” and all that follows and inserting “in-
3 creased by \$3,000.”.

4 (B) INFLATION ADJUSTMENT.—Paragraph
5 (1)(B)(ii) of section 32(j) of such Code (relat-
6 ing to inflation adjustments) is amended to
7 read as follows:

8 “(ii) in the case of the \$3,000 amount
9 in subsection (b)(2)(B), by substituting
10 ‘calendar year 2003’ for ‘calendar year
11 1992’ in subparagraph (B) of such section
12 1.”.

13 (C) EFFECTIVE DATE.—The amendments
14 made by this paragraph shall apply to taxable
15 years beginning after December 31, 2002.

16 (2) EXPANSION OF MATHEMATICAL ERROR AU-
17 THORITY.—

18 (A) IN GENERAL.—Paragraph (2) of sec-
19 tion 6213(g) of such Code is amended by strik-
20 ing “and” at the end of subparagraph (K), by
21 striking the period at the end of subparagraph
22 (L) and inserting “, and”, and by inserting
23 after subparagraph (L) the following new sub-
24 paragraph:

1 “(M) the entry on the return claiming the
2 credit under section 32 with respect to a child
3 if, according to the Federal Case Registry of
4 Child Support Orders established under section
5 453(h) of the Social Security Act, the taxpayer
6 is a noncustodial parent of such child.”.

7 (B) EFFECTIVE DATE.—The amendment
8 made by this paragraph shall take effect on
9 January 1, 2003.

10 (d) CONFORMING AMENDMENTS.—

11 (1) REPEAL OF AMENDMENTS.—Sections 301,
12 302, and 303(g) of the Economic Growth and Tax
13 Relief Reconciliation Act of 2001 are repealed.

14 (2) REPEAL OF SUNSET.—Title IX of the Eco-
15 nomic Growth and Tax Relief Reconciliation Act of
16 2001 (relating to sunset of provisions of such Act)
17 shall not apply to section 303 (other than subsection
18 (g) of such section) of such Act (relating to mar-
19 riage penalty relief).

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