

110TH CONGRESS  
1ST SESSION

# H. R. 1906

To amend the Internal Revenue Code of 1986 to adjust the estimated tax payment safe harbor based on income for the preceding year in the case of individuals with adjusted gross income greater than \$5 million.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 18, 2007

Ms. NORTON introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to adjust the estimated tax payment safe harbor based on income for the preceding year in the case of individuals with adjusted gross income greater than \$5 million.

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. ADJUSTMENT OF ESTIMATED TAX PAYMENT**

4           **SAFE HARBOR FOR INDIVIDUAL TAXPAYERS**

5           **WITH ADJUSTED GROSS INCOME GREATER**

6           **THAN \$5 MILLION.**

7       (a) IN GENERAL.—Subparagraph (C) of section

8 6654(d)(1) of the Internal Revenue Code of 1986 (relating

1 to limitation on use of preceding year's tax) is amended  
2 by redesignating clauses (ii) and (iii) as clauses (iii) and  
3 (iv), respectively, and by inserting after clause (i) the fol-  
4 lowing new clause:

5                         “(ii) INDIVIDUAL ADJUSTED GROSS  
6                         INCOME GREATER THAN \$5,000,000.—If the  
7                         adjusted gross income shown on the return  
8                         of the individual for such preceding taxable  
9                         year exceeds \$5,000,000, clause (i) shall be  
10                         applied by substituting ‘110.1’ for ‘110’ in  
11                         the last row of the table therein.”.

12                         (b) SEPARATE RETURNS.—Clause (iii) of section  
13 6654(d)(1)(C) of such Code, as redesignated by subsection  
14 (a), is amended by inserting “and clause (ii) shall be ap-  
15 plied by substituting ‘\$2,500,000’ for ‘\$5,000,000’” be-  
16 fore the period at the end.

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

