

110TH CONGRESS  
1ST SESSION

# H. R. 4661

To amend the Internal Revenue Code of 1986 to increase the limitation  
on capital loss applicable to individuals.

---

## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 13, 2007

Mr. KAGEN 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 limitation on capital loss applicable to individuals.

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 LIMITATION ON CAPITAL LOSSES**

4 **APPLICABLE TO INDIVIDUALS.**

5 (a) IN GENERAL.—Paragraph (1) of section 1211(b)  
6 of the Internal Revenue Code of 1986 (relating to limita-  
7 tion on capital losses) is amended by striking “\$3,000  
8 (\$1,500” and inserting “\$10,000 (50 percent of such  
9 amount, as increased under subsection (c),”.

1 (b) ADJUSTMENT FOR INFLATION.—Section 1211 of  
 2 such Code is amended by adding at the end the following  
 3 new subsection:

4 “(c) ADJUSTMENT FOR INFLATION.—

5 “(1) IN GENERAL.—In the case of any taxable  
 6 year beginning in a calendar year after 2008, the  
 7 \$10,000 amount contained in subsection (b)(1) shall  
 8 be increased by an amount equal to—

9 “(A) such amount, multiplied by

10 “(B) the cost-of-living adjustment deter-  
 11 mined under section 1(f)(3) for the calendar  
 12 year in which the taxable year begins by sub-  
 13 stituting ‘calendar year 2007’ for ‘calendar year  
 14 1992’ in subparagraph (B) thereof.

15 “(2) ROUNDING.—If any increase determined  
 16 under subparagraph (A) is not a multiple of \$50,  
 17 such increase shall be rounded to the next highest  
 18 multiple of \$50.”.

19 (c) EFFECTIVE DATE.—The amendments made by  
 20 this section shall apply to taxable years beginning after  
 21 December 31, 2007.

○