

110TH CONGRESS
2D SESSION

H. R. 5150

To amend the Internal Revenue Code of 1986 to increase the child tax credit for taxable years beginning in 2008 and provide for the advance payment thereof.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2008

Mr. YARMUTH 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 child tax credit for taxable years beginning in 2008 and provide for the advance payment thereof.

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 AND ACCELERATION OF CHILD**
4 **TAX CREDIT FOR TAXABLE YEAR 2008.**

5 (a) IN GENERAL.—Subsection (a) of Section 24 of
6 the Internal Revenue Code of 1986 (relating to the child
7 tax credit) is amended by inserting “(\$1,300 for taxable
8 years beginning in 2008)” before the period at the end.

1 (b) ADVANCE PAYMENT OF PORTION OF INCREASED
2 CREDIT IN 2008.—

3 (1) IN GENERAL.—Section 6429 of such Code
4 (relating to advance payment of portion of increased
5 child credit for 2003) is amended to read as follows:

6 **“SEC. 6429. ADVANCE PAYMENT OF PORTION OF IN-**
7 **CREASED CHILD CREDIT FOR 2008.**

8 “(a) IN GENERAL.—Each taxpayer who was allowed
9 a credit under section 24 on the return for the taxpayer’s
10 first taxable year beginning in 2007 shall be treated as
11 having made a payment against the tax imposed by chap-
12 ter 1 for such taxable year in an amount equal to the child
13 tax credit refund amount (if any) for such taxable year.

14 “(b) CHILD TAX CREDIT REFUND AMOUNT.—For
15 purposes of this section, the child tax credit refund
16 amount is the amount by which the aggregate credits al-
17 lowed under part IV of subchapter A of chapter 1 for such
18 first taxable year would have been increased if—

19 “(1) the per child amount under section 24(a)
20 for such year were \$1,300,

21 “(2) only qualifying children (as defined in sec-
22 tion 24(c)) of the taxpayer for such year who had
23 not attained age 17 as of December 31, 2008, were
24 taken into account, and

25 “(3) section 24(d)(1)(B)(ii) did not apply.

1 “(c) TIMING OF PAYMENTS.—In the case of any over-
 2 payment attributable to this section, the Secretary shall,
 3 subject to the provisions of this title, refund or credit such
 4 overpayment as rapidly as possible and, to the extent prac-
 5 ticable, before October 1, 2008. No refund or credit shall
 6 be made or allowed under this section after December 31,
 7 2008.

8 “(d) COORDINATION WITH CHILD TAX CREDIT.—

9 “(1) IN GENERAL.—The amount of credit
 10 which would (but for this subsection and section 26)
 11 be allowed under section 24 for the taxpayer’s first
 12 taxable year beginning in 2008 shall be reduced (but
 13 not below zero) by the payments made to the tax-
 14 payer under this section. Any failure to so reduce
 15 the credit shall be treated as arising out of a mathe-
 16 matical or clerical error and assessed according to
 17 section 6213(b)(1).

18 “(2) JOINT RETURNS.—In the case of a pay-
 19 ment under this section with respect to a joint re-
 20 turn, half of such payment shall be treated as hav-
 21 ing been made to each individual filing such return.

22 “(e) NO INTEREST.—No interest shall be allowed on
 23 any overpayment attributable to this section.”.

24 “(2) CLERICAL AMENDMENT.—The table of sec-
 25 tions for subchapter B of chapter 65 of such Code

1 is amended by adding at the end the following new
2 item:

“Sec. 6429. Advance payment of portion of increased child credit for 2008.”.

3 (c) EFFECTIVE DATES.—

4 (1) IN GENERAL.—Except as provided in para-
5 graph (2), the amendments made by this section
6 shall apply to taxable years beginning after Decem-
7 ber 31, 2007.

8 (2) SUBSECTION (b).—The amendments made
9 by subsection (b) shall take effect on the date of the
10 enactment of this Act.

○