

110TH CONGRESS
1ST SESSION

H. R. 527

To help American families save, invest, and build a better future, and for
other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 17, 2007

Mr. LARSON of Connecticut introduced the following bill; which was referred
to the Committee on Ways and Means

A BILL

To help American families save, invest, and build a better
future, and for other purposes.

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 “Better Future for
5 American Families Act”.

6 **SEC. 2. MODIFICATIONS TO SAVER’S CREDIT.**

7 (a) SAVER’S CREDIT.—Section 25B of the Internal
8 Revenue Code of 1986 is amended by striking the heading
9 thereof and inserting “**SAVER’S CREDIT**”.

1 (b) MODIFICATIONS TO APPLICABLE PERCENT-
 2 AGE.—Subsection (b) of section 25B of the Internal Rev-
 3 enue Code of 1986 is amended to read as follows:

4 “(b) APPLICABLE PERCENTAGE.—For purposes of
 5 this section—

6 “(1) IN GENERAL.—The applicable percentage
 7 is 50 percent reduced (but not below zero) by 1 per-
 8 centage point for each phaseout amount by which
 9 the taxpayer’s adjusted gross income for the taxable
 10 year exceeds the threshold amount.

11 “(2) PHASEOUT AMOUNT; THRESHOLD
 12 AMOUNT.—The phaseout amount and the threshold
 13 amount shall be determined as follows:

In the case of an individual filing:	The phaseout amount is:	The thresh- old amount is:
A joint return	\$400	\$30,000
A head of household return	\$300	\$22,500
Any other return	\$200	\$15,000.”.

14 (c) CREDIT REFUNDABLE.—

15 (1) IN GENERAL.—Section 25B of the Internal
 16 Revenue Code of 1986, as amended by subsections
 17 (a) and (b), is hereby moved to subpart C of part
 18 IV of subchapter A of chapter 1 of such Code (relat-
 19 ing to refundable credits) and inserted after section
 20 35.

21 (2) CONFORMING AMENDMENTS.—

1 (A) Section 24(b)(3)(B) of such Code is
2 amended by striking “sections 23 and 25B”
3 and inserting “section 23”.

4 (B) Section 25(e)(1)(C) of such Code is
5 amended by striking “25B,”.

6 (C) Section 25D(c)(2) of such Code is
7 amended by striking “24, and 25B” and insert-
8 ing “and 24”.

9 (D) Section 26(a)(1) of such Code is
10 amended by striking “sections 23, 24, and
11 25B” and inserting “sections 23 and 24”.

12 (E) Section 25B of such Code, as moved
13 by paragraph (1), is redesignated as section 36.

14 (F) Section 904(i) of such Code is amend-
15 ed by striking “sections 23, 24, and 25B” and
16 inserting “sections 23 and 24”.

17 (G) Section 1400C of such Code is amend-
18 ed by striking “25B,”.

19 (H) The table of sections for subpart C of
20 part IV of subchapter A of chapter 1 of such
21 Code is amended by striking the item relating
22 to section 36 and inserting the following:

“Sec. 36. Saver’s Credit.

“Sec. 37. Overpayments of tax.”.

1 (I) The table of sections for subpart A of
2 part IV of such Code is amended by striking
3 the item relating to section 25B.

4 (J) Section 1324(b)(2) of title 31, United
5 States Code, is amended by inserting “, or en-
6 acted by the Better Future for American Fami-
7 lies Act” before the period at the end.

8 (d) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to taxable years beginning after
10 December 31, 2006.

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