

110TH CONGRESS  
1ST SESSION

# S. 734

To amend the Internal Revenue Code of 1986 to reduce the rate of the tentative minimum tax for noncorporate taxpayers to 24 percent.

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IN THE SENATE OF THE UNITED STATES

MARCH 1, 2007

Mr. SPECTER introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to reduce the rate of the tentative minimum tax for noncorporate taxpayers to 24 percent.

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 “AMT Rate Reduction  
5 Act of 2007”.

6 **SEC. 2. REDUCTION IN RATE OF TENTATIVE MINIMUM TAX**  
7 **FOR NONCORPORATE TAXPAYERS.**

8 (a) IN GENERAL.—Clause (i) of section 55(b)(1)(A)  
9 of the Internal Revenue Code of 1986 (relating to noncor-  
10 porate taxpayers) is amended to read as follows:

1                   “(i) IN GENERAL.—In the case of a  
2                   taxpayer other than a corporation, the ten-  
3                   tative minimum tax for the taxable year  
4                   is—

5                               “(I) 24 percent of the taxable ex-  
6                               cess, reduced by

7                               “(II) the alternative minimum  
8                               tax foreign tax credit for the taxable  
9                               year.”.

10           (b) CONFORMING AMENDMENT.—Subparagraph (A)  
11 of section 55(b)(1) of such Code is amended by striking  
12 clause (iii).

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

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