

111TH CONGRESS  
2D SESSION

# H. R. 6522

To prevent pending tax increases and to permanently repeal estate and gift taxes, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 15, 2010

Mrs. BACHMANN (for herself, Mr. GOHMERT, Mr. KINGSTON, Mr. MANZULLO, Mr. AKIN, Mr. GARRETT of New Jersey, Mr. KING of Iowa, Mr. BURGESS, Mr. LATTA, and Mr. BILIRAKIS) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To prevent pending tax increases and to permanently repeal estate and gift taxes, 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 “End Tax Uncertainty  
5       Act of 2010”.

6       **SEC. 2. EGTRRA AND JGTRRA TAX RELIEF MADE PERMA-**  
7       **NENT.**

8       (a) ECONOMIC GROWTH AND TAX RELIEF REC-  
9       ONCILIATION ACT OF 2001.—Title IX of the Economic

1 Growth and Tax Relief Reconciliation Act of 2001 is here-  
 2 by repealed.

3 (b) INCOME TAX RATES ON DIVIDENDS AND NET  
 4 CAPITAL GAIN.—Section 303 of the Jobs and Growth Tax  
 5 Relief Reconciliation Act of 2003 is hereby repealed.

6 (c) EFFECTIVE DATE.—The amendments made by  
 7 this section shall take effect on the date of the enactment  
 8 of this Act.

9 **SEC. 3. ESTATE AND GIFT TAX PERMANENTLY REPEALED.**

10 Effective for estates of decedents dying, gifts made,  
 11 or generation skipping transfers, after December 31,  
 12 2010, subtitle B of the Internal Revenue Code of 1986  
 13 is repealed.

14 **SEC. 4. PERMANENT INDIVIDUAL AMT RELIEF.**

15 (a) MODIFICATION OF ALTERNATIVE MINIMUM TAX  
 16 EXEMPTION AMOUNT.—

17 (1) IN GENERAL.—Paragraph (1) of section  
 18 55(d) of the Internal Revenue Code of 1986 (relat-  
 19 ing to exemption amount) is amended to read as fol-  
 20 lows:

21 “(1) EXEMPTION AMOUNT FOR TAXPAYERS  
 22 OTHER THAN CORPORATIONS.—In the case of a tax-  
 23 payer other than a corporation, the term ‘exemption  
 24 amount’ means—

1           “(A) the dollar amount for taxable years  
 2           beginning in the calendar year as specified in  
 3           the table contained in paragraph (4)(A) in the  
 4           case of—

5                     “(i) a joint return, or

6                     “(ii) a surviving spouse,

7           “(B) the dollar amount for taxable years  
 8           beginning in the calendar year as specified in  
 9           the table contained in paragraph (4)(B) in the  
 10          case of an individual who—

11                    “(i) is not a married individual, and

12                    “(ii) is not a surviving spouse,

13          “(C) 50 percent of the dollar amount ap-  
 14          plicable under paragraph (1)(A) in the case of  
 15          a married individual who files a separate re-  
 16          turn, and

17          “(D) \$22,500 in the case of an estate or  
 18          trust.

19          For purposes of this paragraph, the term ‘surviving  
 20          spouse’ has the meaning given to such term by sec-  
 21          tion 2(a), and marital status shall be determined  
 22          under section 7703.”.

23          (2) SPECIFIED EXEMPTION AMOUNTS.—Section  
 24          55(d) of such Code is amended by adding at the end  
 25          the following new paragraph:

1 “(4) SPECIFIED EXEMPTION AMOUNTS.—  
 2 “(A) TAXPAYERS DESCRIBED IN PARA-  
 3 GRAPH (1)(A).—For purposes of paragraph  
 4 (1))(A)—

“For taxable years beginning in—	The exemp- tion amount is:
2010 .....	\$72,450
2011 .....	\$74,450
2012 .....	\$78,250
2013 .....	\$81,450
2014 .....	\$85,050
2015 .....	\$88,650
2016 .....	\$92,650
2017 .....	\$96,550
2018 .....	\$100,950
2019 .....	\$105,150
2020 .....	\$109,950.

5 “(B) TAXPAYERS DESCRIBED IN PARA-  
 6 GRAPH (1)(B).—For purposes of paragraph  
 7 (1))(B)—

“For taxable years beginning in—	The exemp- tion amount is:
2010 .....	\$47,450
2011 .....	\$48,450
2012 .....	\$50,350
2013 .....	\$51,950
2014 .....	\$53,750
2015 .....	\$55,550
2016 .....	\$57,550
2017 .....	\$59,500
2018 .....	\$61,700
2019 .....	\$63,800
2020 .....	\$66,200.”.

8 (b) ALTERNATIVE MINIMUM TAX RELIEF FOR NON-  
 9 REFUNDABLE CREDITS.—

1           (1) IN GENERAL.—Subsection (a) of section 26  
 2           of the Internal Revenue Code of 1986 is amended to  
 3           read as follows:

4           “(a) LIMITATION BASED ON AMOUNT OF TAX.—The  
 5           aggregate amount of credits allowed by this subpart for  
 6           the taxable year shall not exceed the sum of—

7                 “(1) the taxpayer’s regular tax liability for the  
 8                 taxable year reduced by the foreign tax credit allow-  
 9                 able under section 27(a), and

10                “(2) the tax imposed by section 55(a) for the  
 11                taxable year.”.

12           (2) CONFORMING AMENDMENTS.—

13                 (A) ADOPTION CREDIT.—

14                         (i) Section 23(b) of such Code, as in  
 15                         effect on December 31, 2009, is amended  
 16                         by striking paragraph (4).

17                         (ii) Section 23(c) of such Code, as in  
 18                         effect on December 31, 2009, is amended  
 19                         by striking paragraphs (1) and (2) and in-  
 20                         serting the following:

21                 “(1) IN GENERAL.—If the credit allowable  
 22                 under subsection (a) for any taxable year exceeds  
 23                 the limitation imposed by section 26(a) for such tax-  
 24                 able year reduced by the sum of the credits allowable  
 25                 under this subpart (other than this section and sec-

tions 25D and 1400C), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.”.

(iii) Section 23(c) of such Code, as in effect on December 31, 2009 amended by redesignating paragraph (3) as paragraph (2).

(B) CHILD TAX CREDIT.—

(i) Section 24(b) of such Code is amended by striking paragraph (3).

(ii) Section 24(d)(1) of such Code is amended—

(I) by striking “section 26(a)(2) or subsection (b)(3), as the case may be,” each place it appears in subparagraphs (A) and (B) and inserting “section 26(a)”, and

(II) by striking “section 26(a)(2) or subsection (b)(3), as the case may be” in the second last sentence and inserting “section 26(a)”.

(C) CREDIT FOR INTEREST ON CERTAIN HOME MORTGAGES.—Section 25(e)(1)(C) of such Code is amended to read as follows:

1           “(C) APPLICABLE TAX LIMIT.—For pur-  
2           poses of this paragraph, the term ‘applicable  
3           tax limit’ means the limitation imposed by sec-  
4           tion 26(a) for the taxable year reduced by the  
5           sum of the credits allowable under this subpart  
6           (other than this section and sections 23, 25D,  
7           and 1400C).”.

8           (D) SAVERS’ CREDIT.—Section 25B of  
9           such Code is amended by striking subsection  
10          (g).

11          (E) RESIDENTIAL ENERGY EFFICIENT  
12          PROPERTY.—Section 25D(c) of such Code is  
13          amended to read as follows:

14          “(c) CARRYFORWARD OF UNUSED CREDIT.—If the  
15          credit allowable under subsection (a) exceeds the limita-  
16          tion imposed by section 26(a) for such taxable year re-  
17          duced by the sum of the credits allowable under this sub-  
18          part (other than this section), such excess shall be carried  
19          to the succeeding taxable year and added to the credit al-  
20          lowable under subsection (a) for such succeeding taxable  
21          year.”.

22          (F) CERTAIN PLUG-IN ELECTRIC VEHI-  
23          CLES.—Section 30(c)(2) of such Code is  
24          amended to read as follows:

1           “(2) PERSONAL CREDIT.—For purposes of this  
 2           title, the credit allowed under subsection (a) for any  
 3           taxable year (determined after application of para-  
 4           graph (1)) shall be treated as a credit allowable  
 5           under subpart A for such taxable year.”.

6                       (G) ALTERNATIVE MOTOR VEHICLE CRED-  
 7                       IT.—Section 30B(g)(2) of such Code is amend-  
 8                       ed to read as follows:

9           “(2) PERSONAL CREDIT.—For purposes of this  
 10           title, the credit allowed under subsection (a) for any  
 11           taxable year (determined after application of para-  
 12           graph (1)) shall be treated as a credit allowable  
 13           under subpart A for such taxable year.”.

14                      (H) NEW QUALIFIED PLUG-IN ELECTRIC  
 15                      VEHICLE CREDIT.—Section 30D(c)(2) of such  
 16                      Code is amended to read as follows:

17           “(2) PERSONAL CREDIT.—For purposes of this  
 18           title, the credit allowed under subsection (a) for any  
 19           taxable year (determined after application of para-  
 20           graph (1)) shall be treated as a credit allowable  
 21           under subpart A for such taxable year.”.

22                      (I) CROSS REFERENCES.—Section 55(c)(3)  
 23                      of such Code is amended by striking “26(a),  
 24                      30C(d)(2),” and inserting “30C(d)(2)”.



1                   (J) FOREIGN TAX CREDIT.—Section 904 of  
 2                   such Code is amended by striking subsection (i)  
 3                   and by redesignating subsections (j) , (k), and  
 4                   (l) as subsections (i), (j), and (k), respectively.

5                   (K) FIRST-TIME HOME BUYER CREDIT FOR  
 6                   THE DISTRICT OF COLUMBIA.—Section  
 7                   1400C(d) of such Code is amended to read as  
 8                   follows:

9           “(d) CARRYFORWARD OF UNUSED CREDIT.—If the  
 10           credit allowable under subsection (a) exceeds the limita-  
 11           tion imposed by section 26(a) for such taxable year re-  
 12           duced by the sum of the credits allowable under subpart  
 13           A of part IV of subchapter A (other than this section and  
 14           section 25D), such excess shall be carried to the suc-  
 15           ceeding taxable year and added to the credit allowable  
 16           under subsection (a) for such taxable year.”.

17           (c) EFFECTIVE DATE.—The amendments made by  
 18           this section shall apply to taxable years beginning after  
 19           December 31, 2009.

20   **SEC. 5. MAXIMUM CORPORATE INCOME TAX RATE RE-**  
 21                   **DUCTED TO 25 PERCENT.**

22           (a) IN GENERAL.—Paragraph (1) of section 11(b) of  
 23           the Internal Revenue Code of 1986 is amended by striking  
 24           “but does not exceed \$75,000” and all that follows and  
 25           inserting a period.

1       (b) PERSONAL SERVICE CORPORATIONS.—Para-  
2 graph (2) of section 11(b) of such Code is amended by  
3 striking “35 percent” and inserting “25 percent”.

4       (c) CONFORMING AMENDMENTS.—

5           (1) Subsection (a) of section 1201 of such Code  
6 is amended by striking “35 percent” each place it  
7 appears and inserting “25 percent”.

8           (2) Paragraphs (1) and (2) of section 1445(e)  
9 of such Code are each amended by striking “35 per-  
10 cent” and inserting “25 percent”.

11       (d) EFFECTIVE DATE.—The amendment made by  
12 this section shall apply to taxable years beginning after  
13 December 31, 2010.

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