

S. 3369

At the request of Mr. WHITEHOUSE, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 3369, a bill to amend the Federal Election Campaign Act of 1971 to provide for additional disclosure requirements for corporations, labor organizations, Super PACs and other entities, and for other purposes.

S. 3372

At the request of Mr. WEBB, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 3372, a bill to amend section 704 of title 18, United States Code.

S.J. RES. 19

At the request of Mr. HATCH, the name of the Senator from Pennsylvania (Mr. TOOMEY) was added as a cosponsor of S.J. Res. 19, a joint resolution proposing an amendment to the Constitution of the United States authorizing Congress to prohibit the physical desecration of the flag of the United States.

S.J. RES. 43

At the request of Mr. MCCONNELL, the name of the Senator from Arkansas (Mr. BOOZMAN) was added as a cosponsor of S.J. Res. 43, a joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, and for other purposes.

S.J. RES. 47

At the request of Mr. WARNER, the names of the Senator from Hawaii (Mr. AKAKA) and the Senator from Hawaii (Mr. INOUE) were added as cosponsors of S.J. Res. 47, a joint resolution amending title 36, United States Code, to designate July 26 as United States Intelligence Professionals Day.

S. CON. RES. 48

At the request of Mr. LEAHY, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. Con. Res. 48, a concurrent resolution recognizing 375 years of service of the National Guard and affirming congressional support for a permanent Operational Reserve as a component of the Armed Forces.

AMENDMENT NO. 2509

At the request of Mr. HATCH, the names of the Senator from Utah (Mr. LEE), the Senator from Kansas (Mr. MORAN) and the Senator from Georgia (Mr. CHAMBLISS) were added as cosponsors of amendment No. 2509 intended to be proposed to S. 2237, a bill to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes.

AMENDMENT NO. 2510

At the request of Mr. HATCH, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of amendment No. 2510 intended to be proposed to S. 2237, a bill to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KOHL (for himself, Mr. COONS, and Mr. WHITEHOUSE):

S. 3389. A bill to modify chapter 90 of title 18, United States Code, to provide Federal jurisdiction for theft of trade secrets; to the Committee on the Judiciary.

Mr. KOHL. Mr. President, I rise today to introduce the Protecting American Trade Secrets and Innovation Act of 2012. This legislation will help American companies protect their valuable trade secrets by giving them the additional option of seeking redress in Federal courts when they are victims of economic espionage or trade secret theft. Stolen trade secrets cost American companies billions of dollars each year and threaten their ability to innovate and compete globally. Our bill ensures that companies have the most effective and efficient ways to combat trade secret theft and recoup their losses, helping them to maintain their global competitive edge.

Today, as much as 80 percent of companies' assets are intangible, the majority of them in the form of trade secrets. This includes everything from financial, business, scientific, technical, economic, or engineering information, to formulas, designs, prototypes, processes, procedures, and codes. Trade secrets are often the lifeblood of a business. If they are stolen and wind up in the hands of competitors, it can wipe out years of research and development and cost millions of dollars in losses. The chief executive of GM recently said that he worries about trade secret theft "every day." This comes as no surprise considering the loss to Ford Motor Company in 2006 when an employee stole 4,000 documents which he took to China and used for the benefit of his new employer Beijing Automotive Company, a competitor to Ford. The damage to Ford was estimated to be between \$50 million and \$100 million.

In 1996, Congress enacted the Economic Espionage Act, which made economic espionage and trade secret theft a Federal crime. Nearly 15 years later, trade secret theft and economic espionage continue to pose a threat to U.S. companies, yet there is no Federal civil remedy for victims. To complement the criminal enforcement of economic espionage and State trade secret laws, the Protecting American Trade Secrets and Innovation Act would provide another avenue for companies to protect their trade secrets. The bill enables victims of trade secret theft to seek injunctive relief, putting an immediate halt to trade secret misappropriation, and compensation for their losses in Federal court. It will help fill a gap in Federal intellectual property law by providing legal protections for non-patentable, non-copyrightable innovations, on the condition that the owner of the innovation has taken reasonable measures to keep the innovation a secret.

Today, companies that fall victim to economic espionage and trade secret theft often can only bring civil actions in State court, under a patchwork of State laws, to stop the harm or seek compensation for losses. While State courts may be a suitable venue in some cases, major trade secret cases will often require tools available more readily in Federal court, such as nationwide service of process for subpoenas, discovery and witness depositions. In addition, for trade secret holders operating nationwide, a single Federal statute can be more efficient than navigating 50 different State laws. Finally, our bill permits judges to issue seizure orders to prevent defendants from destroying evidence. In sum, our bill demonstrates a Federal commitment to trade secret protection by expanding the legal options for victims of economic espionage and trade secret theft.

This legislation will not inundate Federal courts with minor trade secret cases because it includes limits so that only the most serious cases requiring Federal courts will be permitted. These limitations require the victim of trade secret theft to certify that the dispute requires either a substantial need for nationwide service of process or the misappropriation of trade secrets from the U.S. to another country. Finally, it is important to emphasize that our legislation is not intended to replace State trade secret laws, but to complement them to ensure that victims of economic espionage and trade secret misappropriation can get the most prompt, effective and efficient justice.

We cannot take lightly the threat of trade secrets theft to American businesses, American jobs, and American innovation. This legislation is another simple and straightforward step we can take to help companies defend themselves against trade secret theft. It demonstrates our commitment at the Federal level to protect all forms of a business's intellectual property and their innovative spirit.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3389

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Protecting American Trade Secrets and Innovation Act of 2012".

SEC. 2. FEDERAL JURISDICTION FOR THEFT OF TRADE SECRETS.

(a) IN GENERAL.—Section 1836 of title 18, United States Code, is amended to read as follows:

"§ 1836. Civil proceedings

"(a) PRIVATE CIVIL ACTIONS.—

"(1) IN GENERAL.—A person may bring a civil action under this subsection if the person is aggrieved by—

"(A) a violation of section 1831(a) or 1832(a); or

“(B) a misappropriation of a trade secret that is related to or included in a product that is produced for or placed in interstate or foreign commerce.

“(2) PLEADINGS.—A complaint filed in a civil action brought under this subsection shall—

“(A) describe with specificity the reasonable measures taken to protect the secrecy of the alleged trade secrets in dispute; and

“(B) include a sworn representation by the party asserting the claim that the dispute involves either substantial need for nationwide service of process or misappropriation of trade secrets from the United States to another country.

“(3) CIVIL EX PARTE SEIZURE ORDER.—

“(A) IN GENERAL.—In a civil action brought under this subsection, the court may, upon ex parte application and if the court finds by clear and convincing evidence that issuing the order is necessary to prevent irreparable harm, issue an order providing for—

“(i) the seizure of any property (including computers) used or intended to be used, in any manner or part, to commit or facilitate the commission of the violation alleged in the civil action; and

“(ii) the preservation of evidence in the civil action.

“(B) SCOPE OF ORDERS.—An order issued under subparagraph (A) shall—

“(i) authorize the retention of the seized property for a reasonably limited period, not to exceed 72 hours under the initial order, which may be extended by the court after notice to the affected party and an opportunity to be heard;

“(ii) require that any copies of seized property made by the requesting party be made at the expense of the requesting party;

“(iii) require the requesting party to return the seized property to the party from which the property were seized at the end of the period authorized under clause (i), including any extension; and

“(iv) include an appropriate protective order with respect to discovery and use of any property that has been seized, which shall provide for appropriate procedures to ensure that confidential, private, proprietary, or privileged information contained in the seized property is not improperly disclosed or used.

“(C) SEIZURES.—A party injured by a seizure under an order under this paragraph—

“(i) may bring a civil action against the applicant for the order; and

“(ii) shall be entitled to recover appropriate relief, including—

“(I) damages for lost profits, cost of materials, and loss of good will;

“(II) if the seizure was sought in bad faith, punitive damages; and

“(III) unless the court finds extenuating circumstances, to recover a reasonable attorney's fee.

“(4) REMEDIES.—In a civil action brought under this subsection, a court may—

“(A) issue—

“(i) an order for appropriate injunctive relief against any violation described in paragraph (1), including the actual or threatened misappropriation of trade secrets;

“(ii) if determined appropriate by the court, an order requiring affirmative actions to be taken to protect a trade secret; and

“(iii) if the court determines that it would be unreasonable to prohibit use of a trade secret, an order requiring payment of a reasonable royalty for any use of the trade secret;

“(B) award—

“(i) damages for actual loss caused by the misappropriation of a trade secret; and

“(ii) damages for any unjust enrichment caused by the misappropriation of the trade secret that is not addressed in computing damages for actual loss;

“(C) if the trade secret described in paragraph (1)(B) is willfully or maliciously misappropriated, award exemplary damages in an amount not more than the amount of the damages awarded under subparagraph (B); and

“(D) if a claim of misappropriation is made in bad faith, a motion to terminate an injunction is made or opposed in bad faith, or a trade secret is willfully and maliciously misappropriated, award reasonable attorney's fees to the prevailing party.

“(b) JURISDICTION.—The district courts of the United States shall have original jurisdiction of civil actions brought under this section.

“(c) PERIOD OF LIMITATIONS.—A civil action under this section may not be commenced later than 3 years after the date on which the misappropriation is discovered or by the exercise of reasonable diligence should have been discovered. For purposes of this subsection, a continuing misappropriation constitutes a single claim of misappropriation.”

(b) DEFINITIONS.—Section 1839 of title 18, United States Code, is amended—

(1) in paragraph (3), by striking “and” at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

“(5) the term ‘misappropriation’ means—

“(A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or

“(B) disclosure or use of a trade secret of another without express or implied consent by a person who—

“(i) used improper means to acquire knowledge of the trade secret;

“(ii) at the time of disclosure or use, knew or had reason to know that the knowledge of the trade secret was—

“(I) derived from or through a person who had used improper means to acquire the trade secret;

“(II) acquired under circumstances giving rise to a duty to maintain the secrecy of the trade secret or limit the use of the trade secret; or

“(III) derived from or through a person who owed a duty to the person seeking relief to maintain the secrecy of the trade secret or limit the use of the trade secret; or

“(iii) before a material change of the position of the person, knew or had reason to know that—

“(I) the trade secret was a trade secret; and

“(II) knowledge of the trade secret had been acquired by accident or mistake; and

“(6) the term ‘improper means’—

“(A) includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means; and

“(B) does not include reverse engineering or independent derivation.”

(c) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 90 of title 18, United States Code, is amended by striking the item relating to section 1836 and inserting the following:

“1836. Civil proceedings.”

(d) RULE OF CONSTRUCTION.—Nothing in the amendments made by this section shall be construed to modify the rule of construction under section 1838 of title 18, United States Code, or to preempt any other provision of law.

By Mr. REID:

S. 3393. A bill to amend the Internal Revenue Code of 1986 to provide tax relief to middle-class families; read the first time.

Mr. REID. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD as follows:

S. 3393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the “Middle Class Tax Cut Act”.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; etc.

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

Sec. 101. Temporary extension of 2001 tax relief.

Sec. 102. Temporary extension of 2003 tax relief.

Sec. 103. Temporary extension of 2010 tax relief.

Sec. 104. Temporary extension of election to expense certain depreciable business assets.

TITLE II—ESTATE TAX RELIEF

Sec. 201. Modifications to estate, gift, and generation-skipping transfer taxes.

TITLE III—ALTERNATIVE MINIMUM TAX RELIEF

Sec. 301. Temporary extension of increased alternative minimum tax exemption amount.

Sec. 302. Temporary extension of alternative minimum tax relief for non-refundable personal credits.

TITLE IV—BUDGETARY EFFECTS

Sec. 401. Budgetary effects.

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

SEC. 101. TEMPORARY EXTENSION OF 2001 TAX RELIEF.

(a) TEMPORARY EXTENSION.—

(1) IN GENERAL.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking “December 31, 2012” both places it appears and inserting “December 31, 2013”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(b) APPLICATION TO CERTAIN HIGH-INCOME TAXPAYERS.—

(1) INCOME TAX RATES.—

(A) TREATMENT OF 25- AND 28- PERCENT RATE BRACKETS.—Paragraph (2) of section 1(i) is amended to read as follows:

“(2) 25- AND 28- PERCENT RATE BRACKETS.—The tables under subsections (a), (b), (c), (d), and (e) shall be applied—

“(A) by substituting ‘25%’ for ‘28%’ each place it appears (before the application of subparagraph (B)), and

“(B) by substituting ‘28%’ for ‘31%’ each place it appears.”

(B) 33-PERCENT RATE BRACKET.—Subsection (i) of section 1 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

“(3) 33-PERCENT RATE BRACKET.—

“(A) IN GENERAL.—In the case of taxable years beginning after December 31, 2012—

“(i) the rate of tax under subsections (a), (b), (c), and (d) on a taxpayer’s taxable income in the fourth rate bracket shall be 33 percent to the extent such income does not exceed an amount equal to the excess of—

“(I) the applicable amount, over

“(II) the dollar amount at which such bracket begins, and

“(ii) the 36 percent rate of tax under such subsections shall apply only to the taxpayer’s taxable income in such bracket in excess of the amount to which clause (i) applies.

“(B) APPLICABLE AMOUNT.—For purposes of this paragraph, the term ‘applicable amount’ means the excess of—

“(i) the applicable threshold, over

“(ii) the sum of the following amounts in effect for the taxable year:

“(I) the basic standard deduction (within the meaning of section 63(c)(2)), and

“(II) the exemption amount (within the meaning of section 151(d)(1) (or, in the case of subsection (a), 2 such exemption amounts).

“(C) APPLICABLE THRESHOLD.—For purposes of this paragraph, the term ‘applicable threshold’ means—

“(i) \$250,000 in the case of subsection (a),

“(ii) \$225,000 in the case of subsection (b),

“(iii) \$200,000 in the case of subsections (c), and

“(iv) $\frac{1}{2}$ the amount applicable under clause (i) after adjustment, if any, under subparagraph (E) in the case of subsection (d).

“(D) FOURTH RATE BRACKET.—For purposes of this paragraph, the term ‘fourth rate bracket’ means the bracket which would (determined without regard to this paragraph) be the 36-percent rate bracket.

“(E) INFLATION ADJUSTMENT.—For purposes of this paragraph, with respect to taxable years beginning in calendar years after 2012, each of the dollar amounts under clauses (i), (ii), and (iii) of subparagraph (C) shall be adjusted in the same manner as under paragraph (1)(C), except that subsection (f)(3)(B) shall be applied by substituting ‘2008’ for ‘1992’.”

(2) PHASEOUT OF PERSONAL EXEMPTIONS AND ITEMIZED DEDUCTIONS.—

(A) OVERALL LIMITATION ON ITEMIZED DEDUCTIONS.—Section 68 is amended—

(i) by striking “the applicable amount” the first place it appears in subsection (a) and inserting “the applicable threshold in effect under section 1(i)(3)”,

(ii) by striking “the applicable amount” in subsection (a)(1) and inserting “such applicable threshold”,

(iii) by striking subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively, and

(iv) by striking subsections (f) and (g).

(B) PHASEOUT OF DEDUCTIONS FOR PERSONAL EXEMPTIONS.—

(i) IN GENERAL.—Paragraph (3) of section 151(d) is amended—

(I) by striking “the threshold amount” in subparagraphs (A) and (B) and inserting “the applicable threshold in effect under section 1(i)(3)”,

(II) by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C), and

(III) by striking subparagraphs (E) and (F).

(ii) CONFORMING AMENDMENTS.—Paragraph (4) of section 151(d) is amended—

(I) by striking subparagraph (B),

(II) by redesignating clauses (i) and (ii) of subparagraph (A) as subparagraphs (A) and (B), respectively, and by indenting such subparagraphs (as so redesignated) accordingly, and

(III) by striking all that precedes “in a calendar year after 1989,” and inserting the following:

“(4) INFLATION ADJUSTMENT.—In the case of any taxable year beginning”

(c) EFFECTIVE DATE.—Except as otherwise provided, the amendments made by this section shall apply to taxable years beginning after December 31, 2012.

(d) APPLICATION OF EGTRRA SUNSET.—Each amendment made by subsection (b) shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 to the same extent and in the same manner as if such amendment was included in title I of such Act.

SEC. 102. TEMPORARY EXTENSION OF 2003 TAX RELIEF.

(a) EXTENSION.—

(1) IN GENERAL.—Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking “December 31, 2012” and inserting “December 31, 2013”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

(b) 20-PERCENT CAPITAL GAINS RATE FOR CERTAIN HIGH INCOME INDIVIDUALS.—

(1) IN GENERAL.—Paragraph (1) of section 1(h) is amended by striking subparagraph (C), by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F) and by inserting after subparagraph (B) the following new subparagraphs:

“(C) 15 percent of the lesser of—

“(i) so much of the adjusted net capital gain (or, if less, taxable income) as exceeds the amount on which a tax is determined under subparagraph (B), or

“(ii) the excess (if any) of—

“(I) the amount of taxable income which would (without regard to this paragraph) be taxed at a rate below 36 percent, over

“(II) the sum of the amounts on which a tax is determined under subparagraphs (A) and (B),

“(D) 20 percent of the adjusted net capital gain (or, if less, taxable income) in excess of the sum of the amounts on which tax is determined under subparagraphs (B) and (C).”

(2) MINIMUM TAX.—Paragraph (3) of section 55(b) is amended by striking subparagraph (C), by redesignating subparagraph (D) as subparagraph (E), and by inserting after subparagraph (B) the following new subparagraphs:

“(C) 15 percent of the lesser of—

“(i) so much of the adjusted net capital gain (or, if less, taxable excess) as exceeds the amount on which tax is determined under subparagraph (B), or

“(ii) the excess described in section 1(h)(1)(C)(ii), plus

“(D) 20 percent of the adjusted net capital gain (or, if less, taxable excess) in excess of the sum of the amounts on which tax is determined under subparagraphs (B) and (C), plus”.

(c) CONFORMING AMENDMENTS.—

(1) The following provisions are each amended by striking “15 percent” and inserting “20 percent”:

(A) Section 531.

(B) Section 541.

(C) Section 1445(e)(1).

(D) The second sentence of section 7518(g)(6)(A).

(E) Section 53511(f)(2) of title 46, United States Code.

(2) Sections 1(h)(1)(B) and 55(b)(3)(B) are each amended by striking “5 percent (0 percent in the case of taxable years beginning after 2007)” and inserting “0 percent”.

(3) Section 1445(e)(6) is amended by striking “15 percent (20 percent in the case of tax-

able years beginning after December 31, 2010)” and inserting “20 percent”.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided, the amendments made by subsections (b) and (c) shall apply to taxable years beginning after December 31, 2012.

(2) WITHHOLDING.—The amendments made by paragraphs (1)(C) and (3) of subsection (c) shall apply to amounts paid on or after January 1, 2013.

(e) APPLICATION OF JGTRRA SUNSET.—Each amendment made by subsections (b) and (c) shall be subject to section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 to the same extent and in the same manner as if such amendment was included in title III of such Act.

SEC. 103. TEMPORARY EXTENSION OF 2010 TAX RELIEF.

(a) AMERICAN OPPORTUNITY TAX CREDIT.—

(1) IN GENERAL.—Section 25A(i) is amended by striking “or 2012” and inserting “2012, or 2013”.

(2) TREATMENT OF POSSESSIONS.—Section 1004(c)(1) of division B of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking “and 2012” each place it appears and inserting “2012, and 2013”.

(b) CHILD TAX CREDIT.—Section 24(d)(4) is amended—

(1) by striking “AND 2012” in the heading and inserting “2012, AND 2013”, and

(2) by striking “or 2012” and inserting “2012, or 2013”.

(c) EARNED INCOME TAX CREDIT.—Section 32(b)(3) is amended—

(1) by striking “AND 2012” in the heading and inserting “2012, AND 2013”, and

(2) by striking “or 2012” and inserting “2012, or 2013”.

(d) TEMPORARY EXTENSION OF RULE DISREGARDING REFUNDS IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.—Subsection (b) of section 6409 is amended by striking “December 31, 2012” and inserting “December 31, 2013”.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2012.

(2) RULE DISREGARDING REFUNDS IN THE ADMINISTRATION OF CERTAIN PROGRAMS.—The amendment made by subsection (d) shall apply to amounts received after December 31, 2012.

SEC. 104. TEMPORARY EXTENSION OF ELECTION TO EXPENSE CERTAIN DEPRECIABLE BUSINESS ASSETS.

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Section 179(b)(1) is amended—

(A) by striking “and” at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

(C) by inserting after subparagraph (C) the following new subparagraph:

“(D) \$250,000 in the case of taxable years beginning in 2013, and”, and

(D) in subparagraph (E), as so redesignated, by striking “2012” and inserting “2013”.

(2) REDUCTION IN LIMITATION.—Section 179(b)(2) is amended—

(A) by striking “and” at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

(C) by inserting after subparagraph (C) the following new subparagraph:

“(D) \$800,000 in the case of taxable years beginning in 2013, and”, and

(D) in subparagraph (E), as so redesignated, by striking “2012” and inserting “2013”.

(b) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking “2013” and inserting “2014”.

(c) ELECTION.—Section 179(c)(2) is amended by striking “2013” and inserting “2014”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

TITLE II—ESTATE TAX RELIEF

SEC. 201. MODIFICATIONS TO ESTATE, GIFT, AND GENERATION-SKIPPING TRANSFER TAXES.

(a) MODIFICATIONS TO ESTATE TAX.—

(1) EXCLUSION AMOUNT.—Paragraph (3) of section 2010(c) is amended to read as follows:

“(3) BASIC EXCLUSION AMOUNT.—For purposes of this section, the basic exclusion amount is \$3,500,000.”.

(2) MAXIMUM ESTATE TAX RATE.—The table in subsection (c) of section 2001 is amended by striking “Over \$500,000” and all that follows and inserting the following:

Over \$500,000 but not over \$750,000.	\$155,800, plus 37 percent of the excess of such amount over \$500,000.
Over \$750,000 but not over \$1,000,000.	\$248,300, plus 39 percent of the excess of such amount over \$750,000.
Over \$1,000,000 but not over \$1,250,000.	\$345,800, plus 41 percent of the excess of such amount over \$1,000,000.
Over \$1,250,000 but not over \$1,500,000.	\$448,300, plus 43 percent of the excess of such amount over \$1,250,000.
Over \$1,500,000	\$555,800, plus 45 percent of the excess of such amount over \$1,500,000.”.

(b) MODIFICATIONS OF ESTATE AND GIFT TAXES TO REFLECT DIFFERENCES IN CREDIT RESULTING FROM DIFFERENT TAX RATES AND EXCLUSION AMOUNTS.—

(1) CHANGING TAX RATES.—Notwithstanding section 304 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to the amendments made by section 302(d) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010.

(2) DECREASING EXCLUSIONS.—

(A) ESTATE TAX ADJUSTMENT.—Section 2001 is amended by adding at the end the following new subsection:

“(h) ADJUSTMENT TO REFLECT CHANGES IN EXCLUSION AMOUNT.—

“(1) IN GENERAL.—If, with respect to any gift to which subsection (b)(2) applies, the applicable exclusion amount in effect at the time of the decedent’s death is less than such amount in effect at the time such gift is made by the decedent, the amount of tax computed under subsection (b) shall be reduced by the amount of tax which would have been payable under chapter 12 at the time of the gift if the applicable exclusion amount in effect at such time had been the applicable exclusion amount in effect at the time of the decedent’s death and the modifications described in subsection (g) had been applicable at the time of such gifts.

“(2) LIMITATION.—The aggregate amount of gifts made in any calendar year to which the reduction under paragraph (1) applies shall not exceed the excess of—

“(A) the applicable exclusion amount in effect for such calendar year, over

“(B) the applicable exclusion amount in effect at the time of the decedent’s death.

“(3) APPLICABLE EXCLUSION AMOUNT.—The term ‘applicable exclusion amount’ means, with respect to any period, the amount determined under section 2010(c) for such period, except that in the case of any period for which such amount includes the deceased spousal unused exclusion amount (as defined in section 2010(c)(4)), such term shall mean the basic exclusion amount (as defined under section 2010(c)(3), as in effect for such period).”.

(B) GIFT TAX ADJUSTMENT.—Section 2502 is amended by adding at the end the following new subsection:

“(d) ADJUSTMENT TO REFLECT CHANGES IN EXCLUSION AMOUNT.—

“(1) IN GENERAL.—If the taxpayer made a taxable gift in an applicable preceding calendar period, the amount of tax computed under subsection (a) shall be reduced by the amount of tax which would have been payable under chapter 12 for such applicable preceding calendar period if the applicable exclusion amount in effect for such preceding calendar period had been the applicable exclusion amount in effect for the calendar year for which the tax is being computed and the modifications described in subsection (g) had been applicable for such preceding calendar period.

“(2) LIMITATION.—The aggregate amount of gifts made in any applicable preceding calendar period to which the reduction under paragraph (1) applies shall not exceed the excess of—

“(A) the applicable exclusion amount for such preceding calendar period, over

“(B) the applicable exclusion amount for the calendar year for which the tax is being computed.

“(3) APPLICABLE PRECEDING CALENDAR YEAR PERIOD.—The term ‘applicable preceding calendar year period’ means any preceding calendar year period in which the applicable exclusion amount exceeded the applicable exclusion amount for the calendar year for which the tax is being computed.

“(4) APPLICABLE EXCLUSION AMOUNT.—The term ‘applicable exclusion amount’ means, with respect to any period, the amount determined under section 2010(c) for such period, except that in the case of any period for which such amount includes the deceased spousal unused exclusion amount (as defined in section 2010(c)(4)), such term shall mean the basic exclusion amount (as defined under section 2010(c)(3), as in effect for such period).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, and generation-skipping transfers and gifts made, after December 31, 2012.

(d) APPLICATION OF EGTRRA SUNSET.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act shall apply to the amendments made by subsection (a).

TITLE III—ALTERNATIVE MINIMUM TAX RELIEF

SEC. 301. TEMPORARY EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

(a) IN GENERAL.—Paragraph (1) of section 55(d) is amended—

(1) by striking “\$72,450” and all that follows through “2011” in subparagraph (A) and inserting “\$78,750 in the case of taxable years beginning in 2012”, and

(2) by striking “\$47,450” and all that follows through “2011” in subparagraph (B) and inserting “\$50,600 in the case of taxable years beginning in 2012”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

SEC. 302. TEMPORARY EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking “or 2011” and inserting “2011, or 2012”, and

(2) by striking “2011” in the heading thereof and inserting “2012”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

TITLE IV—BUDGETARY EFFECTS

SEC. 401. BUDGETARY EFFECTS.

(a) PAYGO SCORECARD.—The budgetary effects of this Act shall not be entered on either PAYGO scorecard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010.

(b) SENATE PAYGO SCORECARD.—The budgetary effects of this Act shall not be entered on any PAYGO scorecard maintained for purposes of section 201 of S. Con Res. 21 (110th Congress).

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources. The hearing will be held on Tuesday, July 24, 2012, at 10 a.m., in room SD-366 of the Dirksen Senate Office Building.

The purpose of the hearing is to assess the opportunities for, current level of investment in, and barriers to the expanded usage of natural gas as a fuel for transportation.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, U.S. Senate, 304 Dirksen Senate Office Building, Washington, DC 20510-6150, or by email to Meagan_Gins@energy.senate.gov.

For further information, please contact Jennifer Nekuda Malik at 202-224-5479, or Kevin Rennert at 202-224-7826, or Meagan Gins at 202-224-0883.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. UDALL of Colorado. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to hold a hearing entitled, “Dodd-Frank Wall Street Reform and Consumer Protection Act: 2 Years Later,” during the session of the Senate on July 17, 2012, at 10 a.m. in room SR-328A of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. UDALL of Colorado. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on July 17, 2012, at 10 a.m., to conduct a committee hearing entitled “The Semiannual Monetary Policy Report to Congress.”

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. UDALL of Colorado. Mr. President, I ask unanimous consent that the