

“(iii) whose entitlement to a benefit described in subparagraph (A) of such section has terminated due to performance of substantial gainful activity; and

“(iv) who is retired under chapter 61 of this title.

“(C) The Secretary of Defense shall coordinate with the Secretary of Health and Human Services and the Commissioner of Social Security to notify persons described in subparagraph (B) of, and provide information and counseling regarding, the effects of not enrolling in the supplementary medical insurance program under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.), as described in subparagraph (A).”

(2) CONFORMING AMENDMENT.—Paragraph (2)(A) of such subsection is amended by striking “is enrolled” and inserting “except as provided by paragraph (6), is enrolled”.

(3) IDENTIFICATION OF PERSONS.—Section 1110a of such title is amended by adding at the end the following new subsection:

“(c) CERTAIN INDIVIDUALS NOT REQUIRED TO ENROLL IN MEDICARE PART B.—In carrying out subsection (a), the Secretary of Defense shall coordinate with the Secretary of Health and Human Services and the Commissioner of Social Security to—

“(1) identify persons described in subparagraph (B) of section 1086(d)(6) of this title; and

“(2) provide information and counseling pursuant to subparagraph (D) of such section.”

(b) NON-APPLICATION OF MEDICARE PART B LATE ENROLLMENT PENALTY.—Section 1839(b) of the Social Security Act (42 U.S.C. 1395r(b)) is amended, in the second sentence, by inserting “or months for which the individual can demonstrate that the individual is an individual described in paragraph (6)(B) of section 1086(d) of title 10, United States Code, who is enrolled in the TRICARE program pursuant to such section” after “an individual described in section 1837(k)(3)”.

(c) REPORT.—Not later than October 1, 2024, the Secretary of Defense, the Secretary of Health and Human Services, and the Commissioner of Social Security shall jointly submit to the Committees on Armed Services of the House of Representatives and the Senate, the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives, and the Committee on Finance of the Senate a report on the implementation of section 1086(d)(6) of title 10, United States Code, as added by subsection (a). Such report shall include, with respect to the period covered by the report—

(1) the number of individuals enrolled in TRICARE for Life who are not enrolled in the supplementary medical insurance program under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.) by reason of such section 1086(d)(6); and

(2) the number of individuals who—

(A) are retired from the Armed Forces under chapter 61 of title 10, United States Code;

(B) are entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to receiving benefits for 24 months as described in subparagraph (A) or (C) of section 226(b)(2) of such Act (42 U.S.C. 426(b)(2)); and

(C) because of such entitlement, are not longer enrolled in TRICARE Standard, TRICARE Prime, TRICARE Extra, or TRICARE Select under chapter 55 of title 10, United States Code.

(d) DEPOSIT OF SAVINGS INTO MEDICARE IMPROVEMENT FUND.—Section 1898(b)(1) of the Social Security Act (42 U.S.C. 1395iii(b)(1)) is amended by striking “during and after fiscal year 2021, \$0” and inserting “during and after fiscal year 2024, \$5,000,000”.

(e) APPLICATION.—The amendments made by subsections (a) and (b) shall apply with respect to a person who, on or after October 1, 2023, is a person described in section 1086(d)(6)(B) of title 10, United States Code, as added by subsection (a).

SEC. 3. COVERAGE OF CERTAIN DNA SPECIMEN PROVENANCE ASSAY TESTS UNDER MEDICARE.

(a) BENEFIT.—

(1) COVERAGE.—Section 1861 of the Social Security Act (42 U.S.C. 1395x) is amended—

(A) in subsection (s)(2)—

(i) in subparagraph (FF), by striking “and” at the end;

(ii) in subparagraph (GG), by inserting “and” at the end; and

(iii) by adding at the end the following new subparagraph:

“(HH) a prostate cancer DNA Specimen Provenance Assay test (DSPA test) (as defined in subsection (jjj)); and”;

(B) by adding at the end the following new subsection:

“(jjj) PROSTATE CANCER DNA SPECIMEN PROVENANCE ASSAY TEST.—The term ‘prostate cancer DNA Specimen Provenance Assay Test’ (DSPA test) means a test that, after a determination of cancer in one or more prostate biopsy specimens obtained from an individual, assesses the identity of the DNA in such specimens by comparing such DNA with the DNA that was separately taken from such individual at the time of the biopsy.”.

(2) EXCLUSION FROM COVERAGE.—Section 1862(a)(1) of the Social Security Act (42 U.S.C. 1395y(a)(1)) is amended—

(A) in subparagraph (O), by striking “and” at the end;

(B) in subparagraph (P), by striking the semicolon at the end and inserting “, and”;

(C) by adding at the end the following new subparagraph:

“(Q) in the case of a prostate cancer DNA Specimen Provenance Assay test (DSPA test) (as defined in section 1861(jjj)), unless such test is furnished on or after January 1, 2020, and before January 1, 2025, and such test is ordered by the physician who furnished the prostate cancer biopsy that obtained the specimen tested;”.

(b) PAYMENT AMOUNT AND RELATED REQUIREMENTS.—Section 1834 of the Social Security Act (42 U.S.C. 1395m) is amended by adding at the end the following new subsection:

“(w) PROSTATE CANCER DNA SPECIMEN PROVENANCE ASSAY TESTS.—

“(1) PAYMENT FOR COVERED TESTS.—

“(A) IN GENERAL.—Subject to subparagraph (B), the payment amount for a prostate cancer DNA Specimen Provenance Assay test (DSPA test) (as defined in section 1861(jjj)) shall be \$200. Such payment shall be payment for all of the specimens obtained from the biopsy furnished to an individual that are tested.

“(B) LIMITATION.—Payment for a DSPA test under subparagraph (A) may only be made on an assignment-related basis.

“(C) PROHIBITION ON SEPARATE PAYMENT.—No separate payment shall be made for obtaining DNA that was separately taken from an individual at the time of a biopsy described in subparagraph (A).

“(2) HCPCS CODE AND MODIFIER ASSIGNMENT.—

“(A) IN GENERAL.—The Secretary shall assign one or more HCPCS codes to a prostate cancer DNA Specimen Provenance Assay test and may use a modifier to facilitate making payment under this section for such test.

“(B) IDENTIFICATION OF DNA MATCH ON CLAIM.—The Secretary shall require an indication on a claim for a prostate cancer DNA

Specimen Provenance Assay test of whether the DNA of the prostate biopsy specimens match the DNA of the individual diagnosed with prostate cancer. Such indication may be made through use of a HCPCS code, a modifier, or other means, as determined appropriate by the Secretary.

“(3) DNA MATCH REVIEW.—

“(A) IN GENERAL.—The Secretary shall review at least three years of claims under part B for prostate cancer DNA Specimen Provenance Assay tests to identify whether the DNA of the prostate biopsy specimens match the DNA of the individuals diagnosed with prostate cancer.

“(B) POSTING ON INTERNET WEBSITE.—Not later than July 1, 2023, the Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services the findings of the review conducted under subparagraph (A).”.

(c) COST-SHARING.—Section 1833(a)(1) of the Social Security Act (42 U.S.C. 1395l(a)(1)) is amended—

(1) by striking “and (BB)” and inserting “(BB)”;

(2) by inserting before the semicolon at the end the following: “, and (CC) with respect to a prostate cancer DNA Specimen Provenance Assay test (DSPA test) (as defined in section 1861(jjj)), the amount paid shall be an amount equal to 80 percent of the lesser of the actual charge for the test or the amount specified under section 1834(w)”.

Mr. SAM JOHNSON of Texas (during the reading). Mr. Speaker, I ask unanimous consent to dispense with the reading of the amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 0915

PROTECTING FAMILY AND SMALL BUSINESS TAX CUTS ACT OF 2018

Mr. BRADY of Texas. Mr. Speaker, pursuant to House Resolution 1084, I call up the bill (H.R. 6760) to amend the Internal Revenue Code of 1986 to make permanent certain provisions of the Tax Cuts and Jobs Act affecting individuals, families, and small businesses, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 1084, the amendment in the nature of a substitute, recommended by the Committee on Ways and Means, printed in the bill, modified by the amendment printed in part C of House Report 115-985, is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 6760

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 “Protecting Family and Small Business Tax Cuts Act of 2018”.

(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) REFERENCES TO THE TAX CUTS AND JOBS ACT.—Title I of Public Law 115-97 may be cited as the “Tax Cuts and Jobs Act”.

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

Sec. 1. Short title, etc.

TITLE I—INDIVIDUAL REFORM MADE PERMANENT

Subtitle A—Rate Reform

Sec. 101. Modification of rates.

Subtitle B—Deduction for Qualified Business Income of Pass-thru Entities

Sec. 111. Deduction for qualified business income.

Sec. 112. Limitation on losses for taxpayers other than corporations.

Subtitle C—Tax Benefits for Families and Individuals

Sec. 121. Increase in standard deduction.

“If taxable income is:

| | |
|---------------------------------------------|--|
| Not over \$19,050 | |
| Over \$19,050 but not over \$77,400 | |
| Over \$77,400 but not over \$165,000 | |
| Over \$165,000 but not over \$315,000 | |
| Over \$315,000 but not over \$400,000 | |
| Over \$400,000 but not over \$600,000 | |
| Over \$600,000 | |

(b) HEAD OF HOUSEHOLDS.—Section 1(b) is amended by striking the table contained therein and inserting the following:

“If taxable income is:

| | |
|---------------------------------------------|--|
| Not over \$13,600 | |
| Over \$13,600 but not over \$51,800 | |
| Over \$51,800 but not over \$82,500 | |
| Over \$82,500 but not over \$157,500 | |
| Over \$157,500 but not over \$200,000 | |
| Over \$200,000 but not over \$500,000 | |
| Over \$500,000 | |

(c) UNMARRIED INDIVIDUALS OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLD.—Section 1(c) is amended by striking the

“If taxable income is:

| | |
|---------------------------------------------|--|
| Not over \$9,525 | |
| Over \$9,525 but not over \$38,700 | |
| Over \$38,700 but not over \$82,500 | |
| Over \$82,500 but not over \$157,500 | |
| Over \$157,500 but not over \$200,000 | |
| Over \$200,000 but not over \$500,000 | |
| Over \$500,000 | |

(d) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—Section 1(d) is amended by striking

“If taxable income is:

| | |
|---------------------------------------------|--|
| Not over \$9,525 | |
| Over \$9,525 but not over \$38,700 | |
| Over \$38,700 but not over \$82,500 | |
| Over \$82,500 but not over \$157,500 | |
| Over \$157,500 but not over \$200,000 | |
| Over \$200,000 but not over \$300,000 | |
| Over \$300,000 | |

(e) ESTATES AND TRUSTS.—Section 1(e) is amended by striking the table contained therein and inserting the following:

“If taxable income is:

| | |
|------------------------------------------|--|
| Not over \$2,550 | |
| Over \$2,550 but not over \$9,150 | |
| Over \$9,150 but not over \$12,500 | |
| Over \$12,500 | |

(f) INFLATION ADJUSTMENTS.—Section 1(f) is amended—

(1) by striking “1993” in paragraph (1) and inserting “2018”,

(2) by amending paragraph (2)(A) to read as follows:

Sec. 122. Increase in and modification of child tax credit.

Sec. 123. Increased limitation for certain charitable contributions.

Sec. 124. Increased contributions to ABLE accounts.

Sec. 125. Rollovers to ABLE programs from 529 programs.

Sec. 126. Treatment of certain individuals performing services in the Sinai Peninsula of Egypt.

Sec. 127. Extension of reduction in threshold for medical expense deduction.

Subtitle D—Education

Sec. 131. Treatment of student loans discharged on account of death or disability.

Subtitle E—Deductions and Exclusions

Sec. 141. Repeal of deduction for personal exemptions.

Sec. 142. Limitation on deduction for State and local, etc. taxes.

Sec. 143. Limitation on deduction for qualified residence interest.

Sec. 144. Modification of deduction for personal casualty losses.

Sec. 145. Termination of miscellaneous itemized deductions.

Sec. 146. Repeal of overall limitation on itemized deductions.

Sec. 147. Termination of exclusion for qualified bicycle commuting reimbursement.

Sec. 148. Qualified moving expense reimbursement exclusion limited to members of Armed Forces.

Sec. 149. Deduction for moving expenses limited to members of Armed Forces.

Sec. 150. Limitation on wagering losses.

Subtitle F—Increase in Estate and Gift Tax Exemption

Sec. 151. Increase in estate and gift tax exemption.

TITLE II—INCREASED EXEMPTION FOR ALTERNATIVE MINIMUM TAX MADE PERMANENT

Sec. 201. Increased exemption for individuals.

TITLE I—INDIVIDUAL REFORM MADE PERMANENT

Subtitle A—Rate Reform

SEC. 101. MODIFICATION OF RATES.

(a) MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES.—Section 1(a) is amended by striking the table contained therein and inserting the following:

The tax is:

| |
|-----------------------------------------------------|
| 10% of taxable income. |
| \$1,905, plus 12% of the excess over \$19,050. |
| \$8,907, plus 22% of the excess over \$77,400. |
| \$28,179, plus 24% of the excess over \$165,000. |
| \$64,179, plus 32% of the excess over \$315,000. |
| \$91,379, plus 35% of the excess over \$400,000. |
| \$161,379, plus 37% of the excess over \$600,000.”. |

The tax is:

| |
|-----------------------------------------------------|
| 10% of taxable income. |
| \$1,360, plus 12% of the excess over \$13,600. |
| \$5,944, plus 22% of the excess over \$51,800. |
| \$12,698, plus 24% of the excess over \$82,500. |
| \$30,698, plus 32% of the excess over \$157,500. |
| \$44,298, plus 35% of the excess over \$200,000. |
| \$149,298, plus 37% of the excess over \$500,000.”. |

The tax is:

| |
|--------------------------------------------------------|
| 10% of taxable income. |
| \$952.50, plus 12% of the excess over \$9,525. |
| \$4,453.50, plus 22% of the excess over \$38,700. |
| \$14,089.50, plus 24% of the excess over \$82,500. |
| \$32,089.50, plus 32% of the excess over \$157,500. |
| \$45,689.50, plus 35% of the excess over \$200,000. |
| \$150,689.50, plus 37% of the excess over \$500,000.”. |

The tax is:

| |
|-------------------------------------------------------|
| 10% of taxable income. |
| \$952.50, plus 12% of the excess over \$9,525. |
| \$4,453.50, plus 22% of the excess over \$38,700. |
| \$14,089.50, plus 24% of the excess over \$82,500. |
| \$32,089.50, plus 32% of the excess over \$157,500. |
| \$45,689.50, plus 35% of the excess over \$200,000. |
| \$80,689.50, plus 37% of the excess over \$300,000.”. |

The tax is:

| |
|-----------------------------------------------------|
| 10% of taxable income. |
| \$255, plus 24% of the excess over \$2,550. |
| \$1,839, plus 35% of the excess over \$9,150. |
| \$3,011.50, plus 37% of the excess over \$12,500.”. |

year by substituting ‘2017’ for ‘2016’ in paragraph (3)(A)(ii),”.

(3) in paragraph (7)(B), by striking all that precedes “(other than with respect to)” and inserting the following:

table contained therein and inserting the following:

the table contained therein and inserting the following:

“(B) SPECIAL RULE.—In the case of a table prescribed in lieu of the table contained in subsection (b), (c), or (d), subparagraph (A)”,

(4) by striking paragraph (8), and

(5) in the heading, by striking “PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT BRACKET; ADJUSTMENTS” and inserting “ADJUSTMENTS”.

(g) SPECIAL RULES FOR CERTAIN CHILDREN WITH UNEARNED INCOME.—

(1) IN GENERAL.—Section 1(g) is amended by striking all that precedes paragraph (2) and inserting the following:

“(g) SPECIAL RULES FOR CERTAIN CHILDREN WITH UNEARNED INCOME.—

“(1) IN GENERAL.—In the case of any child to whom this subsection applies—

“(A) MODIFICATIONS TO APPLICABLE RATE BRACKETS.—In determining the amount of tax imposed by this section for the taxable year on such child, the income tax table otherwise applicable under this section to such child shall be applied with the following modifications:

“(i) 24-PERCENT BRACKET.—The maximum taxable income which is taxed at a rate below 24 percent shall not be more than the sum of—

“(I) the earned taxable income of such child, plus

“(II) the minimum taxable income for the 24-percent bracket in the table under subsection (e) (as adjusted under subsection (f)) for the taxable year.

“(ii) 35-PERCENT BRACKET.—The maximum taxable income which is taxed at a rate below 35 percent shall not be more than the sum of—

“(I) the earned taxable income of such child, plus

“(II) the minimum taxable income for the 35-percent bracket in the table under subsection (e) (as adjusted under subsection (f)) for the taxable year.

“(iii) 37-PERCENT BRACKET.—The maximum taxable income which is taxed at a rate below 37 percent shall not be more than the sum of—

“(I) the earned taxable income of such child, plus

“(II) the minimum taxable income for the 37-percent bracket in the table under subsection (e) (as adjusted under subsection (f)) for the taxable year.

“(B) COORDINATION WITH CAPITAL GAINS RATES.—For purposes of applying section 1(h)—

“(i) the maximum zero rate amount shall not be more than the sum of—

“(I) the earned taxable income of such child, plus

“(II) the amount in effect under subsection (h)(13) for the taxable year, and

“(ii) the maximum 15-percent rate amount shall not be more than the sum of—

“(I) the earned taxable income of such child, plus

“(II) the amount in effect under subsection (h)(12)(D) for the taxable year.”.

(2) EARNED TAXABLE INCOME.—Section 1(g)(3) is amended to read as follows:

“(3) EARNED TAXABLE INCOME.—For purposes of this subsection, the term ‘earned taxable income’ means, with respect to any child for any taxable year, the taxable income of such child reduced (but not below zero) by the net unearned income of such child.”.

(3) CONFORMING AMENDMENT.—So much of paragraph (5) of section 1(g) as precedes subparagraph (A) thereof is amended to read as follows:

“(5) SPECIAL RULES FOR DETERMINING PARENT ELIGIBLE TO MAKE ELECTION.—For purposes of paragraph (7), the parent referred to in subparagraph (A)(iv) thereof is—

(h) APPLICATION OF INCOME TAX BRACKETS TO CAPITAL GAINS BRACKETS.—Section 1(h) is amended—

(1) in paragraph 1(B)(i), by striking “25 percent” and inserting “22 percent”,

(2) in paragraph 1(C)(ii)(I), by striking “which would (without regard to this paragraph) be taxed at a rate below 39.6 percent” and inserting “below the maximum 15-percent rate amount”, and

(3) by adding at the end the following new paragraphs:

“(12) MAXIMUM 15-PERCENT RATE AMOUNT DETERMINED.—For purposes of this subsection, the maximum 15-percent rate amount shall be—

“(A) in the case of a joint return or surviving spouse (as defined in section 2(a)), \$479,000 (½ such amount in the case of a married individual filing a separate return),

“(B) in the case of an individual who is the head of a household (as defined in section 2(b)), \$452,400,

“(C) in the case of any other individual (other than an estate or trust), \$425,800, and

“(D) in the case of an estate or trust, \$12,700.

“(13) DETERMINATION OF 0 PERCENT RATE BRACKET FOR ESTATES AND TRUSTS.—In the case of any estate or trust, paragraph 1(B) shall be applied by treating the amount determined in clause (i) thereof as being equal to \$2,600.

“(14) INFLATION ADJUSTMENT.—

“(A) IN GENERAL.—In the case of any taxable year beginning after 2018, each of the dollar amounts in paragraphs (12) and (13) shall be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under subsection (f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2017’ for ‘calendar year 2016’ in subparagraph (A)(ii) thereof.

“(B) ROUNDING.—If any increase under subparagraph (A) is not a multiple of \$50, such increase shall be rounded to the next lowest multiple of \$50.”.

(i) APPLICATION OF SECTION 15.—

(1) IN GENERAL.—Subsection (a) of section 15 is amended by striking “If any rate of tax” and inserting “In the case of a corporation, if any rate of tax”.

(2) CONFORMING AMENDMENTS.—

(A) Section 15 is amended by striking subsections (d), (e), and (f).

(B) Section 6013(c) is amended by striking “sections 15, 443, and 7851(a)(1)(A)” and inserting “section 443”.

(C) The heading of section 15 is amended by inserting “ON CORPORATIONS” after “EFFECT OF CHANGES”.

(D) The table of sections for part III of subchapter A of chapter 1 is amended by striking the item relating to section 15 and inserting the following new item:

“Sec. 15. Effect of changes on corporations.”.

(j) CONFORMING AMENDMENTS.—

(1) Section 1 is amended by striking subsections (i) and (j).

(2) Section 3402(q)(1) is amended by striking “third lowest” and inserting “fourth lowest”.

(k) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

(2) APPLICATION OF SECTION 15.—Section 15 of the Internal Revenue Code of 1986 shall not apply to any change in a rate of tax by reason of—

(A) section 1(j) of such Code (as in effect before its repeal by this section), or

(B) any amendment made by this Act.

Subtitle B—Deduction for Qualified Business Income of Pass-thru Entities

SEC. 111. DEDUCTION FOR QUALIFIED BUSINESS INCOME.

(a) IN GENERAL.—Section 199A is amended by striking subsection (i).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 112. LIMITATION ON LOSSES FOR TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Section 461 is amended—

(1) by amending subsection 1(1) to read as follows:

“(1) LIMITATION.—In the case of a taxpayer other than a corporation, any excess business

loss of the taxpayer for the taxable year shall not be allowed.”, and

(2) by striking subsection (j) and redesignating subsections (k) and (l) (as amended) as subsections (j) and (k), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 58(a)(2)(A) is amended by striking “461(k)” and inserting “461(j)”.

(2) Section 461(i)(4) is amended by striking “subsection (k)” and inserting “subsection (j)”.

(3) Section 464(d)(2)(B)(iii) is amended by striking “section 461(k)(2)(E)” and inserting “section 461(j)(2)(E)”.

(4) Subparagraphs (B) and (C) of section 1256(e)(3) are each amended by striking “section 461(k)(4)” and inserting “section 461(j)(4)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

Subtitle C—Tax Benefits for Families and Individuals

SEC. 121. INCREASE IN STANDARD DEDUCTION.

(a) IN GENERAL.—Section 63(c)(2) is amended—

(1) by striking “\$4,400” in subparagraph (B) and inserting “\$18,000”, and

(2) by striking “\$3,000” in subparagraph (C) and inserting “\$12,000”.

(b) INFLATION ADJUSTMENT.—Section 63(c)(4) is amended to read as follows:

“(4) ADJUSTMENTS FOR INFLATION.—

“(A) IN GENERAL.—In the case of a taxable year beginning after 2018, each dollar amount in paragraph (2)(B), (2)(C), or (5) or subsection (f) shall be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting for ‘2016’ in subparagraph (A)(ii) thereof—

“(I) in the case of the dollar amounts contained in paragraph (2)(B) or (2)(C), ‘2017’,

“(II) in the case of the dollar amounts contained in paragraph (5)(A) or subsection (f), ‘1987’, and

“(III) in the case of the dollar amount contained in paragraph (5)(B), ‘1997’.

“(B) ROUNDING.—If any increase under subparagraph (A) is not a multiple of \$50, such increase shall be rounded to the next lowest multiple of \$50.”.

(c) CONFORMING AMENDMENTS.—

(1) Section 1(f)(7)(A) is amended by striking “section 63(c)(4).”.

(2) Section 1(f)(7)(B) is amended by striking “sections 63(c)(4) and” and inserting “section”.

(3) Section 63(c) is amended by striking paragraph (7).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 122. INCREASE IN AND MODIFICATION OF CHILD TAX CREDIT.

(a) IN GENERAL.—Section 24 is amended by striking subsections (a), (b), and (c) and inserting the following new subsections:

“(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

“(1) \$2,000 for each qualifying child of the taxpayer, and

“(2) \$500 for each qualifying dependent (other than a qualifying child) of the taxpayer.

“(b) LIMITATION BASED ON ADJUSTED GROSS INCOME.—The amount of the credit allowable under subsection (a) shall be reduced (but not below zero) by \$50 for each \$1,000 (or fraction thereof) by which the taxpayer’s modified adjusted gross income exceeds \$400,000 in the case of a joint return (\$200,000 in any other case). For purposes of the preceding sentence, the term ‘modified adjusted gross income’ means adjusted gross income increased by any amount excluded from gross income under section 911, 931, or 933.

“(c) **QUALIFYING CHILD; QUALIFYING DEPENDENT.**—For purposes of this section—

“(1) **QUALIFYING CHILD.**—The term ‘qualifying child’ means any qualifying dependent of the taxpayer—

“(A) who is a qualifying child (as defined in section 7706(c)) of the taxpayer,

“(B) who has not attained age 17 at the close of the calendar year in which the taxable year of the taxpayer begins, and

“(C) whose name and social security number are included on the taxpayer’s return of tax for the taxable year.

“(2) **QUALIFYING DEPENDENT.**—The term ‘qualifying dependent’ means any dependent of the taxpayer (as defined in section 7706 without regard to all that follows ‘resident of the United States’ in section 7706(b)(3)(A)) whose name and TIN are included on the taxpayer’s return of tax for the taxable year.

“(3) **SOCIAL SECURITY NUMBER DEFINED.**—For purposes of this subsection, the term ‘social security number’ means, with respect to a return of tax, a social security number issued to an individual by the Social Security Administration, but only if the social security number is issued—

“(A) to a citizen of the United States or pursuant to subclause (I) (or that portion of subclause (III) that relates to subclause (I)) of section 205(c)(2)(B)(i) of the Social Security Act, and

“(B) on or before the due date of filing such return.”.

(b) **PORTION OF CREDIT REFUNDABLE.**—

(1) **IN GENERAL.**—Section 24(d)(1)(A) is amended to read as follows:

“(A) the credit which would be allowed under this limitation determined—

“(i) by substituting ‘\$1,400’ for ‘\$2,000’ in subsection (a)(1),

“(ii) without regard to subsection (a)(2), and

“(iii) without regard to this subsection and the limitation under section 26(a), or”.

(2) **MODIFICATION OF LIMITATION BASED ON EARNED INCOME.**—Section 24(d)(1)(B)(i) is amended by striking “\$3,000” and inserting “\$2,500”.

(3) **INFLATION ADJUSTMENT.**—Section 24(d) is amended by inserting after paragraph (3) the following new paragraph:

“(4) **ADJUSTMENT FOR INFLATION.**—

“(A) **IN GENERAL.**—In the case of a taxable year beginning after 2018, the \$1,400 amount in paragraph (1)(A)(i) shall be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘2017’ for ‘2016’ in subparagraph (A)(ii) thereof.

“(B) **ROUNDING.**—If any increase under subparagraph (A) is not a multiple of \$100, such increase shall be rounded to the next lowest multiple of \$100.

“(C) **LIMITATION.**—The amount of any increase under subparagraph (A) (after the application of subparagraph (B)) shall not exceed \$600.”.

(4) **CONFORMING AMENDMENTS.**—

(A) Section 24(e) is amended to read as follows:

“(e) **TAXPAYER IDENTIFICATION REQUIREMENT.**—No credit shall be allowed under this section if the identifying number of the taxpayer was issued after the due date for filing the return of tax for the taxable year.”.

(B) Section 24 is amended by striking subsection (h).

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 123. INCREASED LIMITATION FOR CERTAIN CHARITABLE CONTRIBUTIONS.

(a) **IN GENERAL.**—Section 170(b)(1)(G) is amended to read as follows:

“(G) **CASH CONTRIBUTIONS.**—

“(i) **IN GENERAL.**—Any contribution of cash to an organization described in subparagraph (A)

shall be allowed to the extent that the aggregate of such contributions does not exceed 60 percent of the taxpayer’s contribution base for the taxable year, reduced by the aggregate amount of contributions allowable under subparagraph (A) for such taxpayer for such year.

“(ii) **CARRYOVER.**—If the aggregate amount of contributions described in clause (i) exceeds the limitation of clause (i), such excess shall be treated (in a manner consistent with the rules of subsection (d)(1)) as a charitable contribution to which clause (i) applies in each of the 5 succeeding years in order of time.”.

(b) **COORDINATION WITH LIMITATIONS ON OTHER CONTRIBUTIONS.**—

(1) **COORDINATION WITH 50 PERCENT LIMITATION.**—Section 170(b)(1)(A) is amended by striking “Any charitable contribution” and inserting “Any charitable contribution other than a contribution described in subparagraph (G)”.

(2) **COORDINATION WITH 30 PERCENT LIMITATION.**—Section 170(b)(1)(B) is amended—

(A) in the matter preceding clause (i), by striking “to which subparagraph (A) applies” and inserting “to which subparagraph (A) or (G) applies”;

(B) by amending clause (ii) to read as follows: “(ii) the excess of—

“(I) the sum of 50 percent of the taxpayer’s contribution base for the taxable year, plus so much of the amount of charitable contributions allowable under subparagraph (G) as does not exceed 10 percent of such contribution base, over

“(II) the amount of charitable contributions allowable under subparagraphs (A) and (G) (determined without regard to subparagraph (C)).”, and

(C) in the matter following clause (ii), by striking “(to which subparagraph (A) does not apply)” and inserting “(to which neither subparagraph (A) nor (G) applies)”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2017.

SEC. 124. INCREASED CONTRIBUTIONS TO ABLE ACCOUNTS.

(a) **INCREASE IN LIMITATION FOR CONTRIBUTIONS FROM COMPENSATION OF INDIVIDUALS WITH DISABILITIES.**—Section 529A(b)(2)(B)(ii) is amended by striking “before January 1, 2026”.

(b) **ALLOWANCE OF SAVER’S CREDIT FOR ABLE CONTRIBUTIONS BY ACCOUNT HOLDER.**—Section 25B(d)(1)(D) is amended by striking “made before January 1, 2026”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 125. ROLLOVERS TO ABLE PROGRAMS FROM 529 PROGRAMS.

(a) **IN GENERAL.**—Section 529(c)(3)(C)(i)(III) is amended by striking “before January 1, 2026”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to distributions after December 31, 2017.

SEC. 126. TREATMENT OF CERTAIN INDIVIDUALS PERFORMING SERVICES IN THE SINAI PENINSULA OF EGYPT.

(a) **IN GENERAL.**—Section 112(c)(2) is amended—

(1) by striking “means any area” and inserting “means—

“(A) any area”, and

(2) by striking the period at the end and inserting “, and

“(B) the Sinai Peninsula of Egypt.”.

(b) **PERIOD OF TREATMENT.**—Section 112(c)(3) is amended—

(1) by striking “only if performed” and inserting “only if—

“(A) in the case of an area described in paragraph (2)(A), such service is performed”, and

(2) by striking the period at the end and inserting “, and

“(B) in the case of the area described in paragraph (2)(B), such service is performed during any period with respect to which one or more

members of the Armed Forces of the United States are entitled to special pay under section 310 of title 37, United States Code (relating to special pay; duty subject to hostile fire or imminent danger), for service performed in such area.”.

(c) **CONFORMING AMENDMENT.**—The Tax Cuts and Jobs Act is amended by striking section 11026.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to services performed on or after the date of the enactment of this Act.

SEC. 127. EXTENSION OF REDUCTION IN THRESHOLD FOR MEDICAL EXPENSE DEDUCTION.

(a) **IN GENERAL.**—Section 213(a) is amended by inserting “(7.5 percent in the case of any taxable year beginning after December 31, 2018, and ending before January 1, 2021)” after “10 percent”.

(b) **CONFORMING AMENDMENTS.**—

(1) Section 56(b)(1) is amended by striking subparagraph (B) and by redesignating subparagraphs (C) through (F) as subparagraphs (B) through (E), respectively.

(2) Section 213 is amended by striking subsection (f).

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2018.

Subtitle D—Education

SEC. 131. TREATMENT OF STUDENT LOANS DISCHARGED ON ACCOUNT OF DEATH OR DISABILITY.

(a) **IN GENERAL.**—Section 108(f)(5) is amended by striking “after December 31, 2017, and before January 1, 2026”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to discharges of indebtedness after December 31, 2017.

Subtitle E—Deductions and Exclusions

SEC. 141. REPEAL OF DEDUCTION FOR PERSONAL EXEMPTIONS.

(a) **IN GENERAL.**—Part V of subchapter B of chapter 1 is hereby repealed.

(b) **DEFINITION OF DEPENDENT RETAINED.**—Section 152, prior to the repeal made by subsection (a), is hereby redesignated as section 7706 and moved to the end of chapter 79.

(c) **APPLICATION TO TRUSTS AND ESTATES.**—Section 642(b) is amended—

(1) in paragraph (2)(C)—

(A) in clause (i), by striking “the exemption amount under section 151(d)” and all that follows through the period at the end and inserting “the dollar amount in effect under section 7706(d)(1)(B).”, and

(B) by striking clause (iii),

(2) by striking paragraph (3), and

(3) by striking “DEDUCTION FOR PERSONAL EXEMPTION” in the heading thereof and inserting “BASIC DEDUCTION”.

(d) **APPLICATION TO NONRESIDENT ALIENS.**—Section 873(b) is amended by striking paragraph (3).

(e) **MODIFICATION OF RETURN REQUIREMENT.**—

(1) **IN GENERAL.**—Section 6012(a)(1) is amended to read as follows:

“(1) Every individual who has gross income for the taxable year, except that a return shall not be required of—

“(A) an individual who is not married (determined by applying section 7703) and who has gross income for the taxable year which does not exceed the standard deduction applicable to such individual for such taxable year under section 63, or

“(B) an individual entitled to make a joint return if—

“(i) the gross income of such individual, when combined with the gross income of such individual’s spouse, for the taxable year does not exceed the standard deduction which would be applicable for such taxable year under section 63 if such individual and such individual’s spouse made a joint return,

“(ii) such individual’s spouse does not make a separate return, and

“(iii) neither such individual nor such individual’s spouse is an individual described in section 63(c)(4) who has income (other than earned income) in excess of the amount in effect under section 63(c)(4)(A).”.

(2) **BANKRUPTCY ESTATES.**—Section 6012(a)(8) is amended by striking “the sum of the exemption amount plus the basic standard deduction under section 63(c)(2)(C)” and inserting “the standard deduction in effect under section 63(c)(1)(B)”.

(3) **CONFORMING AMENDMENT.**—Section 6012 is amended by striking subsection (f).

(f) **CONFORMING AMENDMENTS.**—

(1) Section 1(f)(7), as amended by section 121, is amended—

(A) by striking “, section 68(b)(2) or section 151(d)(4)” in subparagraph (A) and inserting “or section 68(b)(2)”, and

(B) by striking “(other than with respect to section 151(d)(4)(A))” in subparagraph (B).

(2) Section 1(g)(5)(A) is amended by striking “section 152(e)” and inserting “section 7706(e)”.

(3) Section 2(a)(1)(B) is amended—

(A) by striking “section 152” and inserting “section 7706”, and

(B) by striking “with respect to whom the taxpayer is entitled to a deduction for the taxable year under section 151” and inserting “whose TIN is included on the taxpayer’s return of tax for the taxable year”.

(4) Section 2(b)(1)(A)(i) is amended—

(A) in the matter preceding subclause (I)—

(i) by striking “section 152(c)” and inserting “section 7706(c)”, and

(ii) by striking “section 152(e)” and inserting “section 7706(e)”, and

(B) in subclause (II), by striking “section 152(b)(2) or 152(b)(3)” and inserting “section 7706(b)(2) or 7706(b)(3)”.

(5) Section 2(b)(1)(A)(ii) is amended by striking “if the taxpayer is entitled to a deduction for the taxable year for such person under section 151” and inserting “if the taxpayer included such person’s TIN on the return of tax for the taxable year”.

(6) Section 2(b)(1)(B) is amended by striking “if the taxpayer is entitled to a deduction for the taxable year for such father or mother under section 151” and inserting “if such father or mother is a dependent of the taxpayer and the taxpayer included such father or mother’s TIN on the return of tax for the taxable year”.

(7) Section 2(b)(3)(B) is amended—

(A) by striking “section 152(d)(2)” in clause (i) and inserting “section 7706(d)(2)”, and

(B) by striking “section 152(d)” in clause (ii) and inserting “section 7706(d)”.

(8) Section 21(b)(1)(A) is amended by striking “section 152(a)(1)” and inserting “section 7706(a)(1)”.

(9) Section 21(b)(1)(B) is amended by striking “section 152” and inserting “section 7706”.

(10) Section 21(e)(5)(A) is amended by striking “section 152(e)” and inserting “section 7706(e)”.

(11) Section 21(e)(5) is amended by striking “section 152(e)(4)(A)” in the matter following subparagraph (B) and inserting “section 7706(e)(4)(A)”.

(12) Section 21(e)(6)(A) is amended to read as follows:

“(A) who is a dependent of either the taxpayer or the taxpayer’s spouse for the taxable year, or”.

(13) Section 21(e)(6)(B) is amended by striking “section 152(f)(1)” and inserting “section 7706(f)(1)”.

(14) Section 25A(f)(1)(A)(iii) is amended by striking “with respect to whom the taxpayer is allowed a deduction under section 151”.

(15) Section 25A(g)(3) is amended by striking “If a deduction under section 151 with respect to an individual is allowed to another taxpayer” and inserting “If an individual is a dependent of another taxpayer”.

(16) Section 25B(c)(2)(A) is amended by striking “any individual with respect to whom a de-

duction under section 151 is allowed to another taxpayer” and inserting “any individual who is a dependent of another taxpayer”.

(17) Section 25B(c)(2)(B) is amended by striking “section 152(f)(2)” and inserting “section 7706(f)(2)”.

(18) Section 32(c)(1)(A)(ii)(III) is amended by striking “a dependent for whom a deduction is allowable under section 151 to another taxpayer” and inserting “a dependent of another taxpayer”.

(19) Section 32(c)(3) is amended—

(A) in subparagraph (A)—

(i) by striking “section 152(c)” and inserting “section 7706(c)”, and

(ii) by striking “section 152(e)” and inserting “section 7706(e)”,

(B) in subparagraph (B), by striking “unless the taxpayer is entitled to a deduction under section 151 for such taxable year with respect to such individual (or would be so entitled but for section 152(e))” and inserting “if such individual is not treated as a dependent of such taxpayer for such taxable year by reason of section 7706(b)(2) (determined without regard to section 7706(e))”, and

(C) in subparagraph (C), by striking “section 152(c)(1)(B)” and inserting “section 7706(c)(1)(B)”.

(20) Section 35(d)(1)(B) is amended by striking “with respect to whom the taxpayer is entitled to a deduction under section 151(c)” and inserting “if the taxpayer included such person’s TIN on the return of tax for the taxable year”.

(21) Section 35(d)(2) is amended—

(A) by striking “section 152(e)” and inserting “section 7706(e)”, and

(B) by striking “section 152(e)(4)(A)” and inserting “section 7706(e)(4)(A)”.

(22) Section 36B(b)(2)(A) is amended by striking “section 152” and inserting “section 7706”.

(23) Section 36B(b)(3)(B) is amended by striking “unless a deduction is allowed under section 151 for the taxable year with respect to a dependent” in the flush matter at the end and inserting “unless the taxpayer has a dependent for the taxable year (and the taxpayer included such dependent’s TIN on the return of tax for the taxable year)”.

(24) Section 36B(c)(1)(D) is amended by striking “with respect to whom a deduction under section 151 is allowable to another taxpayer” and inserting “who is a dependent of another taxpayer”.

(25) Section 36B(d)(1) is amended by striking “equal to the number of individuals for whom the taxpayer is allowed a deduction under section 151 (relating to allowance of deduction for personal exemptions) for the taxable year” and inserting “the sum of 1 (2 in the case of a joint return) plus the number of individuals who are dependents of the taxpayer for the taxable year”.

(26) Section 36B(e)(1) is amended by striking “1 or more individuals for whom a taxpayer is allowed a deduction under section 151 (relating to allowance of deduction for personal exemptions) for the taxable year (including the taxpayer or his spouse)” and inserting “1 or more of the taxpayer, the taxpayer’s spouse, or any dependent of the taxpayer”.

(27) Section 42(i)(3)(D)(ii)(I) is amended by striking “section 152” and inserting “section 7706”.

(28) Section 45R(e)(1)(A)(iv) is amended—

(A) by striking “section 152(d)(2)” and inserting “section 7706(d)(2)”, and

(B) by striking “section 152(d)(2)(H)” and inserting “section 7706(d)(2)(H)”.

(29) Section 51(i)(1) is amended—

(A) by striking “section 152(d)(2)” in subparagraphs (A) and (B) and inserting “section 7706(d)(2)”, and

(B) by striking “section 152(d)(2)(H)” in subparagraph (C) and inserting “section 7706(d)(2)(H)”.

(30) Section 56(b)(1)(D), as amended by the preceding provisions of this Act, is amended—

(A) by striking “, the deduction for personal exemptions under section 151,” and

(B) by striking “AND DEDUCTION FOR PERSONAL EXEMPTIONS” in the heading thereof.

(31) Section 63(b) is amended by adding “and” at the end of paragraph (1), by striking paragraph (2), and by redesignating paragraph (3) as paragraph (2).

(32) Section 63(c), as amended by section 121, is amended by striking paragraph (3) and redesignating paragraphs (4), (5), and (6) as paragraphs (3), (4), and (5), respectively.

(33) Section 63(c)(4), as redesignated, is amended—

(A) by striking “with respect to whom a deduction under section 151 is allowable to” and inserting “who is a dependent of”, and

(B) by striking “CERTAIN” in the heading thereof.

(34) Section 63(d) is amended by adding “and” at the end of paragraph (1), by striking paragraph (2), and by redesignating paragraph (3) as paragraph (2).

(35) Section 63(f) is amended by striking all that precedes paragraph (3) and inserting the following:

“(f) **ADDITIONAL STANDARD DEDUCTION FOR THE AGED AND BLIND.**—

“(1) **IN GENERAL.**—For purposes of subsection (c)(1), the additional standard deduction is, with respect to a taxpayer for a taxable year, the sum of—

“(A) \$600 if the taxpayer has attained age 65 before the close of such taxable year, and

“(B) \$600 if the taxpayer is blind as of the close of such taxable year.

“(2) **APPLICATION TO MARRIED INDIVIDUALS.**—

“(A) **JOINT RETURNS.**—In the case of a joint return, paragraph (1) shall be applied separately with respect to each spouse.

“(B) **CERTAIN MARRIED INDIVIDUALS FILING SEPARATELY.**—In the case of a married individual filing a separate return, if—

“(i) the spouse of such individual has no gross income for the calendar year in which the taxable year of such individual begins,

“(ii) such spouse is not the dependent of another taxpayer for a taxable year beginning in the calendar year in which such individual’s taxable year begins, and

“(iii) the TIN of such spouse is included on such individual’s return of tax for the taxable year,

the additional standard deduction shall be determined in the same manner as if such individual and such individual’s spouse filed a joint return.”.

(36) Section 63(f)(3) is amended by striking “paragraphs (1) and (2)” and inserting “subparagraphs (A) and (B) of paragraph (1)”.

(37) Section 72(t)(2)(D)(i)(III) is amended by striking “section 152” and inserting “section 7706”.

(38) Section 72(t)(7)(A)(iii) is amended by striking “section 152(f)(1)” and inserting “section 7706(f)(1)”.

(39) Section 105(b) is amended—

(A) by striking “as defined in section 152” and inserting “as defined in section 7706”,

(B) by striking “section 152(f)(1)” and inserting “section 7706(f)(1)” and

(C) by striking “section 152(e)” and inserting “section 7706(e)”.

(40) Section 105(c)(1) is amended by striking “section 152” and inserting “section 7706”.

(41) Section 125(e)(1)(D) is amended by striking “section 152” and inserting “section 7706”.

(42) Section 129(c)(1) is amended to read as follows:

“(1) who is a dependent of such employee or of such employee’s spouse, or”.

(43) Section 129(c)(2) is amended by striking “section 152(f)(1)” and inserting “section 7706(f)(1)”.

(44) Section 132(h)(2)(B) is amended—

(A) by striking “section 152(f)(1)” and inserting “section 7706(f)(1)”, and

(B) by striking “section 152(e)” and inserting “section 7706(e)”.

(45) Section 139D(c)(5) is amended by striking “section 152” and inserting “section 7706”.

(46) Section 139E(c)(2) is amended by striking “section 152” and inserting “section 7706”.

(47) Section 162(l)(1)(D) is amended by striking “section 152(f)(1)” and inserting “section 7706(f)(1)”.

(48) Section 170(g)(1) is amended by striking “section 152” and inserting “section 7706”.

(49) Section 170(g)(3) is amended by striking “section 152(d)(2)” and inserting “section 7706(d)(2)”.

(50) Section 172(d) is amended by striking paragraph (3).

(51) Section 213(a) is amended by striking “section 152” and inserting “section 7706”.

(52) Section 213(d)(5) is amended by striking “section 152(e)” and inserting “section 7706(e)”.

(53) Section 213(d)(11) is amended by striking “section 152(d)(2)” in the matter following subparagraph (B) and inserting “section 7706(d)(2)”.

(54) Section 220(b)(6) is amended by striking “with respect to whom a deduction under section 151 is allowable to” and inserting “who is a dependent of”.

(55) Section 220(d)(2)(A) is amended by striking “section 152” and inserting “section 7706”.

(56) Section 221(d)(4) is amended by striking “section 152” and inserting “section 7706”.

(57) Section 222(c)(3) is amended by striking “with respect to whom a deduction under section 151 is allowable to” and inserting “who is a dependent of”.

(58) Section 223(b)(6) is amended by striking “with respect to whom a deduction under section 151 is allowable to” and inserting “who is a dependent of”.

(59) Section 223(d)(2)(A) is amended by striking “section 152” and inserting “section 7706”.

(60) Section 401(h) is amended by striking “section 152(f)(1)” in the last sentence and inserting “section 7706(f)(1)”.

(61) Section 402(l)(4)(D) is amended by striking “section 152” and inserting “section 7706”.

(62) Section 409A(a)(2)(B)(ii)(I) is amended by striking “section 152(a)” and inserting “section 7706(a)”.

(63) Section 441(f)(2)(B)(iii) is amended by striking “, but only the adjusted amount of the deductions for personal exemptions as described in section 443(c)”.

(64) Section 443 is amended—

(A) in subsection (b)—

(i) by striking paragraph (3), and

(ii) by striking “modified taxable income” and inserting “taxable income” each place such term appears,

(B) by striking subsection (c), and

(C) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(65) Section 501(c)(9) is amended by striking “section 152(f)(1)” and inserting “section 7706(f)(1)”.

(66) Section 529(e)(2)(B) is amended by striking “section 152(d)(2)” and inserting “section 7706(d)(2)”.

(67) Section 529A(e)(4) is amended—

(A) by striking “section 152(d)(2)(B)” and inserting “section 7706(d)(2)(B)”, and

(B) by striking “section 152(f)(1)(B)” and inserting “section 7706(f)(1)(B)”.

(68) Section 643(a)(2) is amended—

(A) by striking “(relating to deduction for personal exemptions)” and inserting “(relating to basic deduction)”, and

(B) by striking “DEDUCTION FOR PERSONAL EXEMPTION” in the heading thereof and inserting “BASIC DEDUCTION”.

(69) Section 703(a)(2) is amended by striking subparagraph (A) and by redesignating subparagraphs (B) through (F) as subparagraphs (A) through (E), respectively.

(70) Section 874 is amended by striking subsection (b) and by redesignating subsection (c) as subsection (b).

(71) Section 891 is amended by striking “under section 151 and”.

(72) Section 904(b)(1) is amended to read as follows:

“(1) DEDUCTION FOR ESTATES AND TRUSTS.—For purposes of subsection (a), the taxable income of an estate or trust shall be computed without any deduction under section 642(b).”.

(73) Section 931(b)(1) is amended to read as follows:

“(1) any deduction from gross income, or”.

(74) Section 933 is amended—

(A) by striking “as a deduction from his gross income any deductions (other than the deduction under section 151, relating to personal exemptions)” in paragraph (1) and inserting “any deduction from gross income”, and

(B) by striking “as a deduction from his gross income any deductions (other than the deduction for personal exemptions under section 151)” in paragraph (2) and inserting “any deduction from gross income”.

(75) Section 1212(b)(2)(B)(ii) is amended to read as follows:

“(ii) in the case of an estate or trust, the deduction allowed for such year under section 642(b).”.

(76) Section 1361(c)(1)(C) is amended by striking “section 152(f)(1)(C)” and inserting “section 7706(f)(1)(C)”.

(77) Section 1402(a) is amended by striking paragraph (7).

(78) Section 2032A(c)(7)(D) is amended by striking “section 152(f)(2)” and inserting “section 7706(f)(2)”.

(79) Section 3402(m)(1) is amended by striking “other than the deductions referred to in section 151 and”.

(80) Section 3402(r)(2) is amended by striking “the sum of—” and all that follows and inserting “the basic standard deduction (as defined in section 63(c)) for an individual to whom section 63(c)(2)(C) applies.”.

(81) Section 5000A(b)(3)(A) is amended by striking “section 152” and inserting “section 7706”.

(82) Section 5000A(c)(4)(A) is amended by striking “the number of individuals for whom the taxpayer is allowed a deduction under section 151 (relating to allowance of deduction for personal exemptions) for the taxable year” and inserting “the sum of 1 (2 in the case of a joint return) plus the number of the taxpayer’s dependents for the taxable year”.

(83) Section 6013(b)(3)(A) is amended—

(A) by striking “had less than the exemption amount of gross income” in clause (ii) and inserting “had no gross income”,

(B) by striking “had gross income of the exemption amount or more” in clause (iii) and inserting “had any gross income”, and

(C) by striking the flush language following clause (iii).

(84) Section 6014(a) is amended by striking “section 6012(a)(1)(C)(i)” and inserting “section 6012(a)(1)(B)(iii)”.

(85) Section 6014(b)(4) is amended by striking “63(c)(5)” and inserting “63(c)(4)”.

(86) Section 6103(l)(21)(A)(iii) is amended to read as follows:

“(iii) the number of the taxpayer’s dependents.”.

(87) Section 6213(g)(2)(H) is amended by striking “section 21 (relating to expenses for household and dependent care services necessary for gainful employment) or section 151 (relating to allowance of deductions for personal exemptions)” and inserting “subsection (a)(1)(B), (b)(1)(A)(ii), or (b)(1)(B) of section 2 or section 21, 35(d)(1)(B), 36B(b)(3)(B), or 63(f)(2)(B)”.

(88) Section 6334(d) is amended—

(A) by amending paragraph (2) to read as follows:

“(2) EXEMPT AMOUNT.—

“(A) IN GENERAL.—For purposes of paragraph (1), the term ‘exempt amount’ means an amount equal to—

“(i) the sum of the amount determined under subparagraph (B) and the standard deduction, divided by

“(ii) 52.

“(B) AMOUNT DETERMINED.—For purposes of subparagraph (A), the amount determined under this subparagraph is—

“(i) the dollar amount in effect under section 7706(d)(1)(B), multiplied by

“(ii) the number of the taxpayer’s dependents for the taxable year in which the levy occurs.

“(C) VERIFIED STATEMENT.—Unless the taxpayer submits to the Secretary a written and properly verified statement specifying the facts necessary to determine the proper amount under subparagraph (A), subparagraph (A) shall be applied as if the taxpayer were a married individual filing a separate return with no dependents.”.

(B) by striking paragraph (4).

(89) Section 7702B(f)(2)(C)(iii) is amended by striking “section 152(d)(2)” and inserting “section 7706(d)(2)”.

(90) Section 7703(a) is amended by striking “part V of subchapter B of chapter 1 and”.

(91) Section 7703(b)(1) is amended by striking “section 152(f)(1)” and all that follows and inserting “section 7706(f)(1) who is a dependent of such individual for the taxable year (or would be but for section 7706(e)).”.

(92) Section 7706(a), as redesignated by this section, is amended by striking “this subtitle” and inserting “subtitle A”.

(93)(A) Section 7706(d)(1)(B), as redesignated by this section, is amended by striking “the exemption amount (as defined in section 151(d))” and inserting “\$4,150”.

(B) Section 7706(d), as redesignated by this section, is amended by adding at the end the following new paragraph:

“(6) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year beginning after 2018, the \$4,150 amount in paragraph (1)(B) shall be increased by an amount equal to—

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(c)(2)(A) for the calendar year in which such taxable year begins, determined by substituting ‘calendar year 2017’ for ‘calendar year 2016’ in clause (ii) thereof.

If any increase determined under the preceding sentence is not a multiple of \$50, such increase shall be rounded to the next lowest multiple of \$50.”.

(94) Section 7706(e)(3), as redesignated by this section, is amended by inserting “(as in effect before its repeal)” after “section 151”.

(95) Section 7706(f)(6)(B), as redesignated by this section, is amended by striking clause (i) and designating clauses (ii), (iii), and (iv) as clauses (i), (ii), and (iii), respectively.

(96) The table of parts for subchapter B of chapter 1 is amended by striking the item relating to part V.

(97) The table of sections for chapter 79 is amended by adding at the end the following new item:

“Sec. 7706. Dependent defined.”.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 142. LIMITATION ON DEDUCTION FOR STATE AND LOCAL, ETC. TAXES.

(a) IN GENERAL.—Section 164(b)(6) is amended by striking all that precedes “The preceding sentence” and inserting the following:

“(6) LIMITATION ON INDIVIDUAL DEDUCTIONS.—In the case of an individual—

“(A) no deduction shall be allowed under this chapter for foreign real property taxes paid or accrued during the taxable year, and

“(B) the aggregate amount of the deduction allowed under this chapter for taxes described in paragraphs (1), (2), and (3) of subsection (a) and paragraph (5) of this subsection paid or accrued by the taxpayer during the taxable year shall not exceed \$10,000 (\$5,000 in the case of a married individual filing a separate return).”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 143. LIMITATION ON DEDUCTION FOR QUALIFIED RESIDENCE INTEREST.

(a) **INTEREST ON HOME EQUITY INDEBTEDNESS.**—Section 163(h)(3)(A) is amended by striking “during the taxable year on” and all that follows through “residence of the taxpayer.” and inserting “during the taxable year on acquisition indebtedness with respect to any qualified residence of the taxpayer.”.

(b) **LIMITATION ON ACQUISITION INDEBTEDNESS.**—Section 163(h)(3)(B)(ii) is amended to read as follows:

“(i) **LIMITATION.**—The aggregate amount treated as acquisition indebtedness for any period shall not exceed the excess (if any) of—
“(I) \$750,000 (\$375,000, in the case of a married individual filing a separate return), over
“(II) the sum of the aggregate outstanding pre-October 13, 1987, indebtedness (as defined in subparagraph (D)) plus the aggregate outstanding pre-December 15, 2017, indebtedness (as defined in subparagraph (C)).”.

(c) **TREATMENT OF INDEBTEDNESS INCURRED ON OR BEFORE DECEMBER 15, 2017.**—Section 163(h)(3)(C) is amended to read as follows:

“(C) **TREATMENT OF INDEBTEDNESS INCURRED ON OR BEFORE DECEMBER 15, 2017.**—

“(i) **IN GENERAL.**—In the case of any pre-December 15, 2017, indebtedness, subparagraph (B)(ii) shall not apply and the aggregate amount of such indebtedness treated as acquisition indebtedness for any period shall not exceed the excess (if any) of—

“(I) \$1,000,000 (\$500,000, in the case of a married individual filing a separate return), over

“(II) the aggregate outstanding pre-October 13, 1987, indebtedness (as defined in subparagraph (D)).

“(ii) **PRE-DECEMBER 15, 2017, INDEBTEDNESS.**—For purposes of this subparagraph—

“(I) **IN GENERAL.**—The term ‘pre-December 15, 2017, indebtedness’ means indebtedness (other than pre-October 13, 1987, indebtedness) incurred on or before December 15, 2017.

“(II) **BINDING WRITTEN CONTRACT EXCEPTION.**—In the case of a taxpayer who enters into a written binding contract before December 15, 2017, to close on the purchase of a principal residence before January 1, 2018, and who purchases such residence before April 1, 2018, the term ‘pre-December 15, 2017, indebtedness’ shall include indebtedness secured by such residence.

“(iii) **REFINANCING INDEBTEDNESS.**—

“(I) **IN GENERAL.**—In the case of any indebtedness which is incurred to refinance indebtedness, such refinanced indebtedness shall be treated for purposes of this subparagraph as incurred on the date that the original indebtedness was incurred to the extent the amount of the indebtedness resulting from such refinancing does not exceed the amount of the refinanced indebtedness.

“(II) **LIMITATION ON PERIOD OF REFINANCING.**—Subclause (I) shall not apply to any indebtedness after the expiration of the term of the original indebtedness or, if the principal of such original indebtedness is not amortized over its term, the expiration of the term of the 1st refinancing of such indebtedness (or if earlier, the date which is 30 years after the date of such 1st refinancing).”.

(d) **COORDINATION WITH TREATMENT OF INDEBTEDNESS INCURRED ON OR BEFORE OCTOBER 13, 1987.**—Section 163(h)(3)(D) is amended—

(1) by striking clause (ii) and redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively, and

(2) in clause (iii) (as so redesignated)—

(A) by striking “clause (iii)” in the matter preceding subclause (I) and inserting “clause (ii)”, and

(B) by striking “clause (iii)(I)” in subclauses (I) and (II) and inserting “clause (ii)(I)”.

(e) **COORDINATION WITH EXCLUSION OF INCOME FROM DISCHARGE OF INDEBTEDNESS.**—Section 108(h)(2) is amended by striking “\$1,000,000 (\$500,000)” and inserting “\$750,000 (\$375,000)”.

(f) **CONFORMING AMENDMENT.**—Section 163(h)(3) is amended by striking subparagraph (F).

(g) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 144. MODIFICATION OF DEDUCTION FOR PERSONAL CASUALTY LOSSES.

(a) **IN GENERAL.**—Section 165(h)(5)(A) is amended by striking “in a taxable year beginning after December 31, 2017, and before January 1, 2026.”.

(b) **CONFORMING AMENDMENTS.**—

(1) Section 165(h)(5)(B) is amended by striking “for any taxable year to which subparagraph (A) applies”.

(2) Section 165(h)(5) is amended by striking “FOR TAXABLE YEARS 2018 THROUGH 2025” in the heading thereof and inserting “TO LOSSES ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to losses sustained in taxable years beginning after December 31, 2017.

SEC. 145. TERMINATION OF MISCELLANEOUS ITEMIZED DEDUCTIONS.

(a) **IN GENERAL.**—Section 67 is amended—

(1) by amending subsection (a) to read as follows:

“(a) **IN GENERAL.**—In the case of an individual, miscellaneous itemized deductions shall not be allowed.”, and

(2) by striking subsection (g).

(b) **MOVEMENT OF DEFINITION OF ADJUSTED GROSS INCOME FOR ESTATES AND TRUSTS.**—

(1) Section 67 is amended by striking subsection (e).

(2) Section 641 is amended by adding at the end the following new subsection:

“(d) **COMPUTATION OF ADJUSTED GROSS INCOME.**—For purposes of this title, the adjusted gross income of an estate or trust shall be computed in the same manner as in the case of an individual, except that—

“(1) the deductions for costs which are paid or incurred in connection with the administration of the estate or trust and which would not have been incurred if the property were not held in such trust or estate, and

“(2) the deductions allowable under sections 642(b), 651, and 661, shall be treated as allowable in arriving at adjusted gross income.”.

(c) **CONFORMING AMENDMENTS.**—

(1) Section 56(b)(1)(A) is amended to read as follows:

“(A) **CERTAIN TAXES.**—No deduction (other than a deduction allowable in computing adjusted gross income) shall be allowed for any taxes described in paragraph (1), (2), or (3) of section 164(a) or clause (ii) of section 164(b)(5)(A).”.

(2) Section 56(b)(1)(C), as amended by the preceding provisions of this Act, is amended by striking “subparagraph (A)(ii)” and inserting “subparagraph (A)”.

(3) Section 62(a) is amended by striking “sub-title” in the matter preceding paragraph (1) and inserting “title”.

(4) Section 641(c)(2)(E) is amended to read as follows:

“(E) Section 642(c) shall not apply.”.

(5) Section 1411(a)(2) is amended by striking “(as defined in section 67(e))”.

(6) Section 6654(d)(1)(C) is amended by striking clause (iii).

(7) Section 67 is amended in the heading, by striking “2-PERCENT FLOOR ON” and inserting “DENIAL OF”.

(8) The table of sections for part 1 of subchapter B of chapter 1 is amended by striking the item relating to section 67 and inserting the following new item:

“Sec. 67. Denial of miscellaneous itemized deductions.”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 146. REPEAL OF OVERALL LIMITATION ON ITEMIZED DEDUCTIONS.

(a) **IN GENERAL.**—Part 1 of subchapter B of chapter 1 is amended by striking section 68 (and

the item relating to such section in the table of sections for such part).

(b) **CONFORMING AMENDMENTS.**—

(1) Section 1(f)(7)(A), as amended by sections 121 and 141, is amended by striking “or section 68(b)(2)”.

(2) Section 56(b)(1), as amended by the preceding provisions of this Act, is amended by striking subparagraph (E).

(3) Section 164(b)(5)(H)(ii)(III) is amended by striking “(as determined under section 68(b))”.

(4) Section 164(b)(5)(H) is amended by adding at the end the following new clause:

“(iii) **APPLICABLE AMOUNT DEFINED.**—For purposes of clause (ii), the term ‘applicable amount’ means—

“(I) \$300,000 in the case of a joint return or a surviving spouse,

“(II) \$275,000 in the case of a head of household,

“(III) \$250,000 in the case of an individual who is not married and who is not a surviving spouse or head of household, and

“(IV) ½ the amount applicable under subclause (I) in the case of a married individual filing a separate return.

For purposes of this paragraph, marital status shall be determined under section 7703. In the case of any taxable year beginning in calendar years after 2017, each of the dollar amounts in this clause shall be increased by an amount equal to such dollar amount, multiplied by the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘2012’ for ‘2016’ in subparagraph (A)(ii) thereof. If any amount after adjustment under the preceding sentence is not a multiple of \$50, such amount shall be rounded to the next lowest multiple of \$50.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 147. TERMINATION OF EXCLUSION FOR QUALIFIED BICYCLE COMMUTING REIMBURSEMENT.

(a) **IN GENERAL.**—Section 132(f)(1) is amended by striking subparagraph (D).

(b) **CONFORMING AMENDMENTS.**—

(1) Section 132(f)(2) is amended by adding “and” at the end of subparagraph (A), striking “, and” at the end of subparagraph (B) and inserting a period, and striking subparagraph (C).

(2) Section 132(f)(4) is amended by striking “(other than a qualified bicycle commuting reimbursement)”.

(3) Section 132(f) is amended by striking paragraph (8).

(4) Section 274(l)(2) is amended by striking “after December 31, 2017, and before January 1, 2026”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 148. QUALIFIED MOVING EXPENSE REIMBURSEMENT EXCLUSION LIMITED TO MEMBERS OF ARMED FORCES.

(a) **IN GENERAL.**—Section 132(g) is amended—
(1) by striking “by an individual” in paragraph (1) and inserting “by a qualified military individual”, and

(2) by striking paragraph (2) and inserting the following new paragraph:

“(2) **QUALIFIED MILITARY INDIVIDUAL.**—For purposes of this subsection, the term ‘qualified military individual’ means a member of the Armed Forces of the United States on active duty who moves pursuant to a military order and incident to a permanent change of station.”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 149. DEDUCTION FOR MOVING EXPENSES LIMITED TO MEMBERS OF ARMED FORCES.

(a) **IN GENERAL.**—Section 217 is amended—

(1) by amending subsection (a) to read as follows:

“(a) DEDUCTION ALLOWED.—There shall be allowed as a deduction moving expenses paid or incurred during the taxable year by a member of the Armed Forces of the United States on active duty who moves pursuant to a military order and incident to a permanent change of station.”.

(2) by striking subsections (c), (d), (f), and (g) and redesignating subsections (h), (i), (j), and (k) as subsections (c), (d), (f) and (g), respectively, and

(3) by inserting after subsection (d), as so redesignated, the following new subsection:

“(e) EXPENSES FURNISHED IN KIND.—Any moving and storage expenses which are furnished in kind (or for which reimbursement or an allowance is provided, but only to the extent of the expenses paid or incurred)—

“(1) to such member, his spouse, or his dependents, shall not be includible in gross income, and no reporting with respect to such expenses shall be required by the Secretary of Defense or the Secretary of Transportation, as the case may be, and

“(2) to such member's spouse and his dependents with regard to moving to a location other than the one to which such member moves (or from a location other than the one from which such member moves), this section shall apply with respect to the moving expenses of his spouse and dependents as if his spouse commenced work as an employee at a new principal place of work at such location.”.

(b) CONFORMING AMENDMENTS.—

(1) Subsections (d)(3)(C) and (e) of section 23 are each amended by striking “section 217(h)(3)” and inserting “section 217(c)(3)”.

(2) Section 7872(f) is amended by striking paragraph (1).

(3) Section 217 is amended in the heading by striking “MOVING EXPENSES” and inserting “CERTAIN MOVING EXPENSES OF MEMBERS OF ARMED FORCES”.

(4) The table of sections for part VII of subchapter B of chapter 1 is amended by striking the item relating to section 217 and inserting the following new item:

“Sec. 217. Certain moving expenses of members of Armed Forces.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

SEC. 150. LIMITATION ON WAGERING LOSSES.

(a) IN GENERAL.—Section 165(d) is amended by striking “in the case of taxable years beginning after December 31, 2017, and before January 1, 2026.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2017.

Subtitle F—Increase in Estate and Gift Tax Exemption

SEC. 151. INCREASE IN ESTATE AND GIFT TAX EXEMPTION.

(a) IN GENERAL.—Section 2010(c)(3) is amended in subparagraph (A), by striking “\$5,000,000” and inserting “\$10,000,000”.

(b) CONFORMING AMENDMENTS.—

(1) Section 2001(g) is amended to read as follows:

“(g) MODIFICATIONS TO GIFT TAX PAYABLE TO REFLECT DIFFERENT TAX RATES.—For purposes of applying subsection (b)(2) with respect to 1 or more gifts, the rates of tax under subsection (c) in effect at the decedent's death shall, in lieu of the rates of tax in effect at the time of such gifts, be used both to compute—

“(1) the tax imposed by chapter 12 with respect to such gifts, and

“(2) the credit allowed against such tax under section 2505, including in computing—

“(A) the applicable credit amount under section 2505(a)(1), and

“(B) the sum of the amounts allowed as a credit for all preceding periods under section 2505(a)(2).”.

(2) Section 2010(c)(3) is amended by striking subparagraph (C).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying and gifts made after December 31, 2017.

TITLE II—INCREASED EXEMPTION FOR ALTERNATIVE MINIMUM TAX MADE PERMANENT

SEC. 201. INCREASED EXEMPTION FOR INDIVIDUALS.

(a) IN GENERAL.—Section 55(d)(1) is amended—

(1) by striking “\$78,750” in subparagraph (A) and inserting “\$109,400”, and

(2) by striking “\$50,600” in subparagraph (B) and inserting “\$70,300”.

(b) PHASE-OUT OF EXEMPTION AMOUNT.—Section 55(d)(2) is amended—

(1) by striking “\$150,000” in subparagraph (A) and inserting “\$1,000,000”, and

(2) by striking subparagraphs (B) and (C) and by inserting the following new subparagraphs:

“(B) 50 percent of the dollar amount applicable under subparagraph (A) in the case of a taxpayer described in paragraph (1)(B) or (1)(C), and

“(C) \$75,000 in the case of a taxpayer described in paragraph (1)(D).”.

(c) INFLATION ADJUSTMENT.—Section 55(d)(3) is amended to read as follows:

“(3) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2018, each dollar amount described in clause (i) or (ii) of subparagraph (B) shall be increased by an amount equal to—

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting—

“(i) in the case of a dollar amount contained in paragraph (1)(D) or (2)(C) or in subsection (b)(1)(A), ‘calendar year 2011’ for ‘calendar year 2016’ in subparagraph (A)(ii) thereof, and

“(ii) in the case of a dollar amount contained in paragraph (1)(A), (1)(B), or (2)(A), ‘calendar year 2017’ for ‘calendar year 2016’ in subparagraph (A)(ii) thereof.

Any increased amount determined under this paragraph shall be rounded to the nearest multiple of \$100 (\$50 in the case of the dollar amount contained in paragraph (2)(C)).”.

(d) CONFORMING AMENDMENT.—Section 55(d) is amended by striking paragraph (4).

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

TITLE III—BUDGETARY EFFECTS

SEC. 301. BUDGETARY EFFECTS.

(a) ISTATUTORY PAYGO SCORECARDS.—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) ISENATE PAYGO SCORECARDS.—The budgetary effects of this Act shall not be entered on either PAYGO scorecard maintained for purposes of section 4106 of H. Con. Res. 71 (115th Congress).

The SPEAKER pro tempore. The bill, as amended, shall be debatable for 1 hour equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means.

The gentleman from Texas (Mr. BRADY) and the gentleman from Massachusetts (Mr. NEAL) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. BRADY of Texas. Mr. Speaker, I ask unanimous consent that all Mem-

bers may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 6760, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for far too long, hardworking American taxpayers watched as an entitled Federal Government took a bigger and bigger slice from their family's budget. But that changed last year. With the Tax Cuts and Jobs Act, we choose you, the hardworking taxpayers of this country.

With our new Tax Code, we were determined to let you keep more of what you worked so hard to earn, and, boy, have the results been incredible.

Eight months later, we have seen an economic turnaround with more jobs, bigger paychecks, and historic Main Street optimism. We have gone from asking, “Where are the jobs?” to asking, “Where are the workers?”

One Main Street small-business owner recently told me that, thanks to the new Tax Code, they are hiring more, giving bonuses, buying more equipment, and, as he said, they are set to have their best year ever.

This has meant real change for real people, with nearly 1.7 million new jobs created just since January, and paychecks rising at their fastest rate in 9 years.

While this economic turnaround for America has come as a shock to opponents of the new Tax Code here in Washington, it is no surprise to millions of hardworking families and small businesses across America who were overtaxed and overregulated far too long.

Thanks to our new pro-growth Tax Code, there is new hope and a new optimism in America that wasn't here before. To call it a sudden change from the sluggish Obama-era economy would be an understatement. For a decade, it was like America's economy was going through a 25-mile-per-hour zone.

Now that the high taxes and the uncompetitive regulations of our Democratic friends are gone, we are on an open highway again. It is critical that we keep this strong momentum going, especially for Americans who were hit hardest by the Great Recession.

That is what this bill before us today is all about. By making the new code permanent for our families and small businesses, the Protecting Family and Small Business Tax Cuts Act will keep America's economy booming and middle class families growing again.

In fact, the nonpartisan Tax Foundation estimates that this bill will add 1.5 million new jobs and increase America's economy over 2 percent. That is on top, as I said, of the 1.7 million new jobs we have already seen created since President Trump signed the new Tax Code into law.

We don't want to go back to the bad old days of higher taxes, with Washington taking more of what our single moms, our hardworking parents, and our Main Street-owned business owners have worked so hard to earn. We don't want to go back to the bad old days when Main Street wasn't hiring, jobs were going overseas, and our economic growth was puttering along.

So given the choice between keeping taxes high and allowing families to keep more of their money, Republicans chose, and continue to choose, the American people.

I thank Representative RODNEY DAVIS for introducing this bill, and Representative MARK MEADOWS and Representative MARK WALKER, along with all of our Republican Ways and Means members, for being the original cosponsors and leaders of this bill.

In closing, empowering families to run their own lives is at the heart of the American Dream. It is the key to America's economic success, and it is the reason that 8 months after tax reform became law, Americans are more hopeful about their future and the American Dream.

Mr. Speaker, I reserve the balance of my time.

Mr. NEAL. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I rise in opposition to the Republican tax sham.

It has been 8 months since the Republicans passed their massive, unpaid-for tax cut without a single Democratic vote. At that time, Democrats and independent experts warned that their so-called tax reform plan that wasn't paid for and that was so heavily skewed to the wealthy and big corporations would harm our economy and damage important programs like Medicare and Social Security.

Now we are beginning to see what many of us feared coming true. Health insurance companies in State after State are announcing higher premiums for next year, while health coverage for those living with preexisting conditions happens to be on the chopping block.

To make matters worse, the Medicare trustees have cut 3 years off the life of the Medicare trust fund because of the Republican tax bill.

Think of it: This vote this morning will add \$631 billion to the national debt, on top of the \$2.3 trillion that they have already embraced with the recklessness of their tax package.

But instead of backing away from this mistake, they are doubling down this morning. Their second round of tax cuts for the wealthy will further compromise the future of Medicare and Social Security, depriving seniors of the benefits that they have earned.

Today's bill will, once again, demonstrate that they are hardly the party of fiscal rectitude or conservatism. The original tax bill, as I noted a moment ago, adds \$2.3 trillion to the debt.

So that people understand, this is all borrowed money that will go to cor-

porations and high-income earners, who undoubtedly will receive the bulk of these benefits in the tax cut.

Now, Republicans want to give the most well-off and well-connected Americans even more tax cuts with their new proposal, again, emphasizing the following: an additional \$3 trillion of debt, all based upon borrowed money.

The Republicans are doubling down on this tax law's attack and, once again, harming the American middle class. There is virtually nothing in here that comes to the aid of the middle class, because they give it to them on one hand and take it away on the other.

This proposal would make permanent the \$10,000 cap on the State and local tax deduction for individuals, even while corporations will face no limits on their SALT deductions. This, at the same time, we should recognize, eliminates many tax incentives and pretty important incentives for middle class families to get ahead.

So, once again, this package, like the one before it, is being rushed through with no hearings, with no witnesses, and with no input from stakeholders. A rushed and lopsided process resulted in the disaster that we voted on just weeks ago. In fact, my staff has identified more than 100 problems with this proposal, and we are happy to share those with any who are interested.

This provision that we are voting on today is reckless, and it is a cut for the wealthy that leaves behind hard-working families.

Mr. Speaker, I reserve the balance of my time.

Mr. BRADY of Texas. Mr. Speaker, I am proud to yield 2 minutes to the gentleman from Illinois (Mr. DAVIS), the leader and the original sponsor of this bill.

Mr. RODNEY DAVIS of Illinois. Mr. Speaker, I rise today in strong support of my bill, H.R. 6760, the Protecting Family and Small Business Tax Cuts Act of 2018.

Mr. Speaker, I thank Chairman BRADY, the entire Ways and Means Committee, and the Ways and Means staff for their hard work in getting tax reform 2.0 to the House floor.

Last December, this Congress passed the Tax Cuts and Jobs Act. That legislation was the first major tax reform in 31 years and delivered on our promise to bring tax relief to middle class families across the country.

In fact, in my district in central Illinois, the average family of four making the median income of \$78,500 will see a tax cut of roughly \$2,200 this year. That is certainly not crumbs, Mr. Speaker.

Since passage of tax reform, we have seen historic growth in our economy. It currently sits at 3.9 percent unemployment, with approximately 6.6 million open jobs, and a GDP last quarter of 4.2 percent. With companies raising wages and increasing benefits, it is no wonder 90 percent of workers are seeing bigger

paychecks, thanks to last year's tax cuts.

Unfortunately, last year, the constraints of the budget reconciliation process in the Senate forced us to sunset many of the provisions found within that act. H.R. 6760 simply makes those sunset provisions permanent.

These provisions include the expanded child tax credit, which we increased from \$1,000 to \$2,000; the new double standard deduction; and the improved tax brackets, which have lowered rates for all taxpayers.

As the economy continues to reach new heights, H.R. 6760 represents our continued commitment to the millions of hardworking middle class Americans who have benefited from the tax cuts enacted last year.

Mr. Speaker, I urge my colleagues to support middle class families by voting for this bill.

Mr. NEAL. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. THOMPSON), a very valued member of the Ways and Means Committee.

Mr. THOMPSON of California. Mr. Speaker, I rise in opposition to this bill.

This bill represents a gross disregard for the responsibilities entrusted to us by our constituents. We are the stewards of Medicare, a critical support for nearly every American at some point in their lives. This bill will trigger hundreds of millions of dollars in across-the-board cuts to that important program.

We are responsible for the Federal Tax Code, a charge that requires us to consider tax proposals fully and fairly. Yet, we will vote on this unpaid-for tax bill developed behind closed doors without the benefit of a single hearing. Most important, we are the custodians of the Federal budget.

With passage of this bill, Republicans will have added more than \$3 trillion to our national debt in less than a year. This is a handout for the rich at the expense of our children and our grandchildren. It is an excuse for the majority party to ransack Medicare and Social Security. It is dangerous, and it is reckless. We should vote "no" on this bill.

Mr. BRADY of Texas. Mr. Speaker, I am very proud to yield 3 minutes to the gentleman from North Carolina (Mr. WALKER), one of the three original leaders of this bill.

Mr. WALKER. Mr. Speaker, the Tax Cuts and Jobs Act has transformed the economy, delivering economic growth in the form of more jobs, bigger paychecks, increased investment, and historically high small business optimism.

Today, I rise in support as an original cosponsor of H.R. 6760, the Protecting Family and Small Business Tax Cuts Act of 2018.

I thank Chairman BRADY for his tireless work over the last year and a half to make this legislation possible, continuing to build on the success of the

Tax Cuts and Jobs Act by locking in those tax cuts for individuals, families, and small businesses.

Today's bill makes permanent the transformational tax reforms included in the legislation we enacted last December.

Mr. Speaker, locking in those important reforms provides certainty and enhances growth. In fact, according to the Tax Foundation's analysis, making these reforms permanent will create 1.5 million new jobs, increase wages by nearly a full percentage point, and increase the overall GDP by 2.2 percent. Those are facts.

Locking in these important reforms reduces burdensome complexity. Because of this legislation, the vast majority of individuals and families will choose the enhanced standard deduction and will no longer need to do the recordkeeping required for itemizing deductions.

The alternative minimum tax, which requires individuals and families to calculate their tax twice each year and pay the higher amount, will be eliminated for close to 96 percent of those who have had to pay in 2017. A recent Tax Foundation study shows that a reduction in time spent on tax compliance that is expected to come from the simplification in the Tax Cuts and Jobs Act will, indeed, translate into savings of \$3.1 billion to \$5.4 billion for individuals and families.

Locking in these important reforms will fuel the small businesses that fuel the American economy.

The Tax Cuts and Jobs Act delivered lower tax rates in a new 20 percent deduction for pass-through business income. Today's bill locks in those benefits.

Mr. Speaker, now is the time to keep our economy booming and protect the family and small business tax reforms delivered last December. I urge my colleagues to support this and help lock in these benefits for all Americans by passing H.R. 6760.

□ 0930

Mr. NEAL. A reminder, Mr. Speaker, that this is \$3 trillion of borrowed money to provide for a tax cut for the wealthy.

Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. LEVIN), who is a longtime and valuable member of the Ways and Means Committee.

Mr. LEVIN. Mr. Speaker, I ask so-called fiscal conservatives: Why add to the deficit \$3 trillion?

I guess it is consistency. If you dig a hole, dig it deeper.

Oh, it is for workers.

Workers? One-half of the top percent get 50 percent of the benefit. It won't pass the Senate.

So why do it?

They thought it would be politically helpful. Now it is turning out it won't be. It is going to be immigration. This is a desperate move. It is desperately wrong.

Mr. Speaker, I urge we vote "no."

Mr. BRADY of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. SMITH), who is one of our key members on the Ways and Means Committee from rural communities on this tax reform bill.

Mr. SMITH of Nebraska. Mr. Speaker, I thank the chairman for his time and certainly his leadership on this issue.

Mr. Speaker, I rise today in support of this bill to make permanent the tax cuts for families and small businesses we passed last year through the Tax Cuts and Jobs Act. I am particularly pleased this bill also makes permanent the grain glitch fix we enacted last spring.

This important provision ensures producers and buyers across agriculture could benefit from tax reform as intended. This bill also continues the treatment of property taxes on agricultural land and property as a fully deductible business expense, which is vital to ag producers in Nebraska's Third Congressional District as well as across the country.

The initial version of tax reform we moved out of the Ways and Means Committee and passed in this House last year provided permanent tax relief, and our families, farmers, ranchers, and small businesses deserve the certainty of knowing their taxes will not increase. I am disappointed we could not get this permanence through the Senate last year, but I am pleased we have another opportunity to do so.

This year our economy is booming with economic growth continuing above 3 percent, and the certainty of permanence will allow our small businesses to make future investments and families to know they can keep more of their paychecks as well as plan for the future.

Mr. Speaker, I urge strong support for this bill.

Mr. NEAL. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. DANNY K. DAVIS), who is a very valuable member of the Ways and Means Committee and the voice of Chicago.

Mr. DANNY K. DAVIS of Illinois. Mr. Speaker, I rise in strong opposition to another tax giveaway to the wealthiest in this country who need it the least.

The Republicans' tax cut already has damaged the health of the Medicare trust fund. This bill is more of the same.

After decades of wage stagnation, when over 41 million laborers earn less than \$12 an hour, when almost none of their employers offer health insurance, when more than one-quarter of Americans struggle to cover housing costs, this Republican bill helps millionaires giving an average tax cut of over \$39,000 to the top 1 percent.

The Republican plan will permanently double tax over 40 million families due to the cap on the State and local income tax deduction.

The Republican plan permanently takes away critical personal exemp-

tions from millions of families with children which we need to help. We need to help hardworking, middle-class citizens. We don't need to give \$39,000 tax breaks to the wealthy.

Mr. BRADY of Texas. Mr. Speaker, I'm very proud to yield 2 minutes to the gentleman from Missouri (Mr. SMITH), who is a key member of our Ways and Means Committee and who played, again, such a leadership role on tax reform for small businesses and agriculture.

Mr. SMITH of Missouri. Mr. Speaker, I rise today in support of this legislation.

Last year, Congress partnered with our President, President Trump, to lower taxes and put more money in the hands of our American people. I heard from the other side how the tax cut was just basically crumbs and scraps. But in my district in southern Missouri, the Tax Cuts and Jobs Act makes a real difference.

In the 9 months that the Tax Cuts and Jobs Act has passed, I have traveled throughout my district, and I have seen small businesses in West Plains, Missouri that told me: Congressman, because of the Tax Cuts and Jobs Act, I can now build a new building.

I have spoken to workers in St. James, in Rolla, in Caruthersville, in Cape Girardeau, in Perryville, in Sikeston, in Malden, in Bernie, in Gainesville, in Theodosia, and all the other 29 counties in our congressional district of how their wages have increased and how these employees have benefited from the Tax Cuts and Jobs Act.

I have spoken to mothers who, because of their wages being increased, were able to purchase new child seats in their cars. These were real tax breaks. These were real advantages. For people in my congressional district, the median income is \$40,000 a year. It is not scraps. It is not crumbs. It makes a real difference. It is car payments, it is house payments, and it is food on the table.

Mr. Speaker, we need to make sure that this is permanent. This bill was not permanent because of some arcane Senate rules that allowed it to just be temporary. I am hoping that the other side will join us today in making sure that we deliver this tax relief permanently for families in southeast Missouri and families throughout this country.

Mr. NEAL. Mr. Speaker, a reminder, this is \$3 trillion of borrowed money for this tax plan that the Republicans are offering.

Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. KIND), who is a very important member of the Ways and Means Committee.

Mr. KIND. Mr. Speaker, I rise in opposition to this legislation because this bill today, again, shatters one of the greatest cons ever perpetrated on the American people, that the modern-day national Republican Party is the party of fiscal responsibility.

The three bills that we have before us this week, coupled with the tax cut version that passed last year, will add over \$5 trillion to our national debt at a time when 70 million baby boomers are fully invested in Social Security and Medicare, giving them the excuse later on to come back and say that we have to cut Social Security and Medicare because we don't have revenue anymore.

If we are entrusted with the majority next year, we will do tax reform the right way. We will simplify it, we will make it more competitive, we will certainly make it fair, and we will do it fiscally responsibly by shutting down extraneous loopholes in the Code to pay for it. We will do it with hearings and with the proper feedback which was lacking here.

For all these reasons, Mr. Speaker, we should reject this bill and do tax reform the right way.

Mr. BRADY of Texas. Mr. Speaker, I am proud to yield 2 minutes to the gentlewoman from South Dakota (Mrs. NOEM), who is a key member of the Ways and Means Committee.

Mrs. NOEM. Mr. Speaker, I just wanted to clarify.

I firmly disagree with my colleague on the other side of the aisle who just talked about Social Security and Medicare. In fact, the economic statistics that have recently come back have talked about how the Medicare trust fund and how Social Security are actually doing better since we did this historic tax cut bill because more people are working. They are earning more money. They are paying into those programs, and those programs are more secure into the future because we did historic tax reform.

Mr. Speaker, today I rise in support of the Protecting Family and Small Business Tax Cuts Act—a key component of tax reform 2.0. I strongly support this legislation, because I worked on it for many years, but also because of the stories I hear across South Dakota every day.

I had, several months ago, a single mom of two kids come up to me. She is a bank teller. She told me that because of tax reform that her check is \$80 bigger every 2 weeks. That meant that her 10-year-old son could get new basketball shoes this year instead of going out and trying to find some that were used from another student who had outgrown them.

I also had another woman from Platte, South Dakota, contact my office and tell me that because of tax reform and tax cuts—her family doesn't usually get much money. They don't make a lot of money. Their wages aren't great. But because of that bill, they have more money in their pockets today. It has made a huge difference in paying their day-to-day bills.

Mr. Speaker, there are dozens of other stories that I could tell you from folks across the State of South Dakota of the benefits of tax reform. Our energy costs have gone down. Our utility

bills have gone down. Companies have paid increasing wages for families. They have also paid out bonuses. The tax cuts have been life changing for many in our State.

With that passage and with the passage of this bill today, we will have the opportunity to ensure the upward economic trajectory we have experienced because of a permanent culture of growth and stability that is rooted in the Tax Code.

So tax reform 2.0 is going to make sure that with the benefits families are enjoying today they will still be able to enjoy them long into the future. While no tax plan is perfect in everybody's eyes, I am optimistic that this package today will have a huge benefit for the people of South Dakota. Our Tax Code should help people, not punish them.

Mr. Speaker, I urge my colleagues to join me in support of my legislation today.

Mr. NEAL. Mr. Speaker, a reminder that this adds \$3 trillion of debt that is all borrowed money.

Mr. Speaker, I yield 1 minute to the gentleman from Oregon (Mr. BLUMENAUER), who is a champion of all issues related to infrastructure in America.

Mr. BLUMENAUER. Mr. Speaker, I heard the gentlewoman from South Dakota talk about all the stories that she could tell. Sadly, that is what our Republican friends have done. They want to tell stories cherry-picked, but they are afraid to have hearings from the people whom this affects. We haven't heard from the experts, from the academics, and from people in business. They were afraid to have hearings on their tax bill, rushing it through, and they didn't even know what was in it. Now they are doubling down, adding another trillion dollars of debt without having a foundation factually to let the people know what is going on.

Look at their budget. They have declared war on Social Security and on Medicare. They understand that it is not sustainable. The tax cuts don't pay for themselves. They are putting at risk things that America cares about like Social Security and like Medicare—fundamental issues that matter.

I hope that if the American public entrusts us with the control of Congress next year that we will go forward, listen to them, make it transparent, and base it on facts.

Mr. BRADY of Texas. Mr. Speaker, because of tax reform, Main Street businesses are booming. The chairman of the Small Business Committee has played a key role in that.

Mr. Speaker, I am proud to yield 2 minutes to the gentlemen from Ohio (Mr. CHABOT).

Mr. CHABOT. Mr. Speaker, I thank the chairman for yielding and for his leadership on this very important issue.

Mr. Speaker, I rise in support of H.R. 6760, the Protecting Family and Small Business Tax Cuts Act. As chairman of the House Small Business Committee, I

have closely examined the effects that the Tax Cuts and Jobs Act that we previously passed has had on America's small businesses, on startups, and on entrepreneurs.

From a Small Business Committee hearing that I chaired in July that reviewed the impact of that law on Main Street companies to the many small business optimism surveys that are published on a monthly basis, the results are in, and they are positive for our Nation's 30 million small businesses that about half of the workers in this country work for. They work for small businesses.

The tax cuts have provided small businesses with the opportunity to invest in their workers, invest in their equipment, and invest in their dreams. A small business owner in my district in southern Ohio recently testified: "The recent tax reduction will have a positive impact on our employees in 2018 and beyond."

The shops on Main Street all across America are transforming our communities and neighborhoods with job growth and business expansion, and that means jobs for more Americans.

With our economic engines starting to rev, Congress should take the next step in the tax debate, which is making the tax cuts for our Nation's job creators permanent. That is what we are doing here today.

Making section 199A, the small business pass-through provision, stronger will be a benefit to small businesses from my State of Ohio and to our States all across the country, from coast to coast.

I applaud the work of Mr. DAVIS, Mr. BRADY, and the other members of the Ways and Means Committee on this issue. It has been very important. When our Nation's small businesses, entrepreneurs, and startups are thriving, so are their employees, the families of those employees, and America's consumers.

□ 0945

Mr. NEAL. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, this is the sequel to "Weekend at Bernie's." But this doesn't work.

The headline yesterday in The Washington Post was: GOP Campaigns Ditch Touting Tax Law in Ads. The first one stunk. This is even worse.

Republican economist Douglas Holtz-Eakin, a good, good guy, said this past May: "There's just no evidence that the tax cuts actually pay for themselves."

Of course they don't. That is why you are targeting healthcare. That is why you are targeting Medicare. That is why you are targeting Social Security. You already targeted Medicaid.

In New Jersey—we are still a State—the average SALT deduction claimed in 2016 was more than the \$10,000 limit. In my district, the average is over \$18,000. One of the counties in my district is \$24,000.

What have you done? That means the average taxpaying household—New Jersey, listen up—now has to pay income tax on an additional \$14,000 worth of income.

We may have 12 Democrats by the end of the election.

If they are a middle-class family being taxed at 24 percent, that is an extra \$3,400 they have to come up with at tax time.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. NEAL. Mr. Speaker, I yield the gentleman from New Jersey an additional 1 minute.

Mr. PASCRELL. Mr. Speaker, for hundreds of thousands of New Jersey families, that is a mortgage payment; that is a tuition bill; that is money for unexpected medical bills. Instead, it is going to be moving to pay more bills in Montana and South Dakota.

I offered an amendment to restore the full SALT. So every Member who votes for this monstrosity today is voting to make the SALT caps forever and to impose a permanent tax on middle-class families. It is mind-boggling that a Member would want to hammer his constituents like that.

I ask my colleagues: How could you vote to punish your middle-class constituents to give even more money to the 1 percent?

What is even more fascinating, a number of people on the other side, Mr. Speaker, no wonder they are voting for this thing today. They get less than 1 percent of the donations from folks like you and me. So that is why they are tuned in to corporate America.

Mr. BRADY of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. ALLEN), who started a small business at age 25 and built it up from the ground up.

Mr. ALLEN. Mr. Speaker, I thank the chairman for his leadership on this important bill.

Yes, I came from the small business world. Let me tell you, in my district, the small businesses are back, and I am proud to support tax reform 2.0, legislation that will build upon the tremendous success of the Tax Cuts and Jobs Act that was signed into law last year.

After 31 years under an old, outdated, and burdensome Tax Code that stifled our economy and plagued our job creators, America simply needed a change. I am happy to say that we delivered on our promise of comprehensive tax reform to the American people, and we are seeing new levels of economic growth and optimism around the country—and we are not done yet.

In the month of August alone, Georgia added over 12,000 jobs, and the unemployment rate fell below 3.8 percent. We are committed to keeping this momentum going.

Tax reform 2.0 will lock in the middle-class and small business tax cuts permanently, allowing families to more easily save their hard-earned money for retirement, helping local businesses promote retirement plans to

workers, promoting startup businesses, and much more.

As a cosponsor of tax reform 2.0, I encourage all my colleagues to join me today in supporting this important legislation that will unleash the economic engine that is the American family and small business.

Mr. NEAL. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. SÁNCHEZ), the vice chair of the Democratic Caucus.

Ms. SÁNCHEZ. Mr. Speaker, I stand here today saddened, but, quite frankly, not shocked, at the irresponsibility of my colleagues on the other side of the aisle. I guess their giveaway to the ultrawealthy wasn't enough last time around, so they have come back for round two: a fake tax reform 2.0.

When the bill for this new gimmick eventually comes due, I am terrified Republicans will pay for it by gutting Social Security and Medicare, two earned benefit programs on which my constituents rely.

I have heard a lot of rhetoric about how today's bill will help the middle class, but the only thing that today's legislation guarantees is adding at least \$3 trillion more to the deficit over just a period of 10 years.

And who picks up the tab? Middle-class Americans, that is who. They are working families who are being priced out of home ownership, saving for retirement, or trying to put their kids through school.

I urge my colleagues to vote down this terrible bill and let common sense reign.

Mr. BRADY of Texas. Mr. Speaker, I reserve the balance of my time.

Mr. NEAL. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, today's sorry's sequel is as phony as the original Republican tax sham. It comes from an administration for whom truth is a stranger, clocked in, by one analysis, at 7½ lies, on the average, per day. But even for such an administration, this bill is based on a true whopper.

Here we have it from the Executive Office of the President telling us as his official administration policy that for every American family, the average household income will be increased by at least \$4,000, annually. Yet today, fewer than 5 percent of American families have gotten a dime increase in their income as a result of this bill. Truly, a giant whopper.

But like the promise that Mexico would pay for the wall, that drug companies would bring down their prices, all we have is more misrepresentation today.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. NEAL. Mr. Speaker, I yield the gentleman from Texas an additional 1 minute.

Mr. DOGGETT. Corporate giants who got giant tax breaks gave them back to some of their shareholders and their

CEOs, but they didn't increase wages for workers or give more than a handful any compensation as a result of this.

Now, here on election eve, we have a proposal where they are telling the American taxpayers: We promise relief in seven years, which is what this bill does. Families can't put off rising healthcare costs or their other needs for seven years.

But there is one American family who does really well out of this bill. It is the family of Donald J. Trump. They got a special provision written into the bill that this proposal freezes into permanent law that gives them a tax windfall, most likely of millions of dollars.

That is what this bill was all about: helping Donald Trump, his cronies, and allies, not helping the American people.

The first tax bill was a hit-and-run job. With this second bill, Republicans back up and run over working families again. Democrats need to take the wheel and help Americans get some money in their own wallet.

Mr. BRADY of Texas. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, let me just fact-check my colleague from Texas.

Since the tax reform bill became law on New Year's Day, 1.7 million jobs have been created in America, with wages rising at the fastest rate in 9 years.

Today, following these new policies, the median income for a married couple with two kids has \$3,200 more in their take-home pay than it did just 12 months ago.

I will remind the voters in Mr. DOGGETT's district that an average family of four making \$60,000 a year sees a tax cut of \$1,131 that my Democratic colleagues want to steal back.

Mr. Speaker, I reserve the balance of my time.

Mr. NEAL. Mr. Speaker, I yield 1 minute to the gentlewoman from Alabama (Ms. SEWELL).

Ms. SEWELL of Alabama. Mr. Speaker, less than a year after the first disastrous tax bill, here we are voting on another bill that will double down on this betrayal and put hardworking families who are working every day to make ends meet even further into debt.

As my constituents remember, the first tax law cost us \$2.3 trillion. Those working to reach the middle class will see less investment in their communities; will see their Social Security, Medicare, and Medicaid shrink; and will see the costs of healthcare insurance rise.

It is unconscionable that Republicans are trying to pass another batch of tax cuts that will add another \$650 billion to the \$2.3 trillion they have already spent through the Tax Code. This will end up costing us \$5 trillion over the next 20 years.

Vote "no" on this reckless tax cut.

Mr. BRADY of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from

Arizona (Mr. SCHWEIKERT), a key leader and member of the Ways and Means Committee.

Mr. SCHWEIKERT. Mr. Speaker, before comments, this was my first term on the Ways and Means Committee. I will tell you that, both on the Democratic side and the Republican side, is a group of very special Members, having been on other committees, even in moments like this, where we see the world very differently. Everyone is freaky smart, incredibly respectful, and if they could see what goes on in the back where we actually get along, it is a very special committee. But the fact of the matter is we sort of see the world very differently.

Have you ever had that moment where you were walking up to the podium and you were going to read something? I was going to originally read the comments from a number of Members, particularly on the other side, who were incredibly critical of the fact that many of these tax cuts expired and now they are complaining that we are extending them. We do have this sort of body where we race to whatever the current argument is. But that would actually be a little hard to do, right after saying such nice things about everyone. So let's actually have a couple of comments on the reality of what we see in the math.

Do you remember when the tax bill passed, the math was that we needed a 0.4 percent growth in GDP over 10 years and the tax reform paid for itself? How are we doing so far?

We have had, now, multiple revisions upward. Something is working out there in our society when you see more jobs than workers; when you see, in my community, the populations that have had a really rough decade with the growth recession of the last decade, they have jobs. There are good things happening.

You would think there would be almost this joy on both the left and the right when you see job training in our Arizona prisons. We actually brought one of the three-time convicted felons to testify in the Ways and Means Committee. It is so hard for this body to actually give a little and say: Look at the great societal things that are happening right now.

Also, we have the backup on the math. If we do not have substantial economic growth this decade and next, we can't keep our societal promises.

I would like to argue, when we get beyond this, we have the conversation of: What does tax reform do for future economic expansion? Again, yes, we are going to have to talk about a lot of difficult things to keep that economic expansion, but the baseline math—and I know we are only 8, 9 months into the data—it is working. Could we at least have a little sound of joy for what is working?

Mr. NEAL. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. PELOSI), the highly effective Democratic leader.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding, and I thank him for his extraordinary leadership in representing the House Democrats as the ranking member on the Ways and Means Committee. He brings to that position the values shared by the American people of fairness, transparency, and openness in what goes on here in Congress, and doing so in a way that is accountable to the American people. So I thank him for his leadership.

□ 1000

Sadly, I come to the floor again to talk against, yet again, another Republican tax scam. The gentleman who just spoke talked about how we should be filled with joy—filled with joy.

Well, if we are talking about emotion, let us talk about St. Augustine. St. Augustine, 17 centuries ago—17 centuries ago, 1,700 years ago—said: “A State which is not governed according to justice is just a bunch of thieves.”

Pope Benedict, who quoted Augustine, said: “The State must inevitably face the question of how justice can be achieved here and now.” Benedict cautioned against the danger of certain ethical blindness caused by the dazzling effect of power and special interest. That is what they talked about.

This is about justice, justice for our country in terms of economic justice, justice in our society in terms of everyone participating in the prosperity of America and not, yet again, the warmed-over stew of trickle-down economics. If you give 83 percent of the benefits to the top 1 percent—glory, alleluia—it may trickle down on you. If it does not, so be it. That is what the former speaker said: So be it.

Let me quote some of the Republicans, enforcing what I said earlier. Who are these tax scams for?

Congressman CHRIS COLLINS said: “My donors are basically saying, ‘Get it done or don’t ever call me again.’”

Senator LINDSEY GRAHAM said the financial contributions will stop if this—and I say—if this tax scam fails.

Here we are again. Here we are again at a time, on this last day of the session, as this body prepares to pack its bags and return home for the next 6 weeks, the GOP’s priorities have been laid bare, as we waste our final moments debating a new version of the Republicans’ same old tax scam, with no accountability, no transparency, and no fairness for the American people.

The first GOP tax scam for the rich added \$2 trillion to the national debt, when you talk about the tax cut plus the interest on the debt, sticking our children with a bill for massive tax breaks for Big Pharma, big banks, big corporations, making it more profitable for them to ship jobs overseas, and the wealthiest 1 percent.

People across America have raised their voices to condemn the Republicans’ plan to spend trillions on tax cuts for the wealthy. What is so sad

about it is, in their first tax scam, they decided that they would set up a thing where the individual mandate was repealed and, therefore, the benefit of preexisting condition no longer barring you from having access to health insurance. Their first tax scam was an assault on the preexisting condition benefit in the Affordable Care Act.

Not only that—that was not good enough for them—the President went further in his budget and said: We have increased the debt. Now we have to pay for it, because, contrary to the illusion that our Republicans like to present, these tax breaks do not ever pay for themselves.

Don’t take it from me. Those who have worked even with Jack Kemp have said: Anybody who tells you that these tax breaks pay for themselves is telling you something that is not true, is nonsense, and is BS, except he said the whole word in our testimony.

So here they are. Now they have to pay for it. Where are they going to get the money? They have just given 83 percent of the benefits to the top 1 percent, a big tax break for corporations, enabling them to send jobs overseas. And who is going to pay for it?

Well, in the President’s budget, to make up for the \$2 billion plus, they cut \$500 billion from Medicare; \$1.4 trillion from Medicaid, legislation that is not just about poor children but middle-income seniors, a benefit for middle-income seniors; \$214 billion from food stamps, a benefit needed by our seniors, by our veterans, by our poor children in America. All of this is to pay for tax cuts for the rich.

So here we are again. Imagine what the Republicans will try to do after adding trillions more to the deficit. Their intentions are clear. The President’s adviser—whatever his title is now—Larry Kudlow, his top economic chief, said: If Republicans control Congress, they will immediately move to cut the larger entitlements, probably next year.

In budget after budget, Republicans have made their plan perfectly clear: Add trillions to the deficit with their GOP tax scams for the rich, and then use those deficits to justify slashing Medicare, Medicaid, and, actually, disability benefits for people on Social Security.

Added \$2 trillion to the debt with their first tax scam, putting forward a budget that would, again, claw millions of dollars back from seniors and hard-working Americans, and now they want to do it again.

Well, don’t take it from me. AARP wrote a letter to Congress yesterday to warn against the grievous damage that would be done by the second phase of Republicans’ deficit-exploding tax scam.

They wrote: “We have grave concerns about H.R. 6760. AARP is troubled by the further negative effect this bill will have on the Nation’s ability to fund critical priorities.”

They then said: “The Joint Committee on Taxation estimates that

H.R. 6760 will reduce Federal revenue by approximately \$631 billion over the 10-year budget window. This is in addition to the \$1.5 trillion reduction in revenue over the 10-year budget window resulting from last year's Tax Cuts and Jobs Act."

Revenue, revenue that can be used for investment. Think of what we could have done with those resources to build the infrastructure of America, a small piece of it to address the pension crisis in America, the recognition that investments in education are the best investments we can make, because nothing brings more to the Treasury than investments in education. Instead, we have this.

The AARP goes on to say: "Additional increases of this magnitude in the deficit will inevitably lead to calls for greater spending cuts, which are likely to include cuts to Medicare, Medicaid, and other important programs serving older Americans."

The letter concludes: "AARP cannot support H.R. 6760."

Again, here we are. They give this big tax break. They say people are going to get raises and bonuses.

Some got bonuses. That is good. If you worked there a long time and the rest, you got a bonus. But it didn't add to your base salary, which would have been the important increase for people to make.

One estimate by Goldman Sachs was that there would be, following the former tax bill, \$1 trillion in buybacks; in other words, corporations buying back their stock—not investing in their workforce, not recognizing that their success depends on the productivity of the workforce and that any increase in productivity should also include an increase in the wages of the workers, but, instead, an increase in the compensation for the CEO.

It is shameful.

To conclude on that point, there is a better way to do this. There could have been, instead of as they did with the first tax scam and now this one—the first one in the dark of night and in the speed of light, putting forth a bill that they almost didn't even know what they were voting for. That did a grave injustice to our Nation for what it deprives us of by giving these tax breaks at the high end.

There is a way to do it. Mr. NEAL has suggested it over and over again. Let's see what we have done before.

Ronald Reagan, Tip O'Neill, 1986, almost a year of hearings and transparency and openness where the public could see and people could understand what it meant to them in their lives.

Instead, they just go into those rooms, and say: How can we, how can we, how can we milk the public? How can we exploit the taxpayer by adding to the wealth of the wealthiest 1 percent in our country?

It is shameful.

As St. Augustine said, unless a government is formed to promote justice, it is just a bunch of thieves.

We are robbing from our children's future with this national debt. We are robbing from the participation in the full benefits of our prosperity, of our workers, in our country. We are robbing our Nation's ability to be itself, to make America good again. In doing so, again, to have people have financial stability in their lives, so that they can be entrepreneurial, so that they can take risk, so that they can invest in their children's future.

It is not only good for the individual taxpayer or person in our country; it is good for our country, because it makes us competitive in the world with our values and with our economy.

Mr. Speaker, I urge a "no" vote.

Mr. BRADY of Texas. Mr. Speaker, I note that the average middle class family in the 12th District of California will see a tax cut of \$5,508 each year.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. WENSTRUP), a key member of the Ways and Means Committee.

Mr. WENSTRUP. Mr. Speaker, I find it interesting that I keep hearing that the tax reforms were for the rich. The only phone calls I got complaining about our tax reform were from the rich.

I had one gentleman call me and actually say: For those of us with three or four homes, this is going to kill us.

Are you kidding me? And you keep saying this is a tax break for the rich. They are the only ones complaining to me.

As a former small-business owner, I can tell you how difficult it is to plan for the future. When you sit down to look at your company's finances, you may be worried about paying your employees' salaries or making the rent on time.

So many in this body, historically, have never run a business, yet they have historically done a very good job of running some businesses into the ground. The last thing any business owner wants to think about is: I wonder what the Federal Government is going to do to my taxes 5, 10, 15 years from now.

Constant uncertainty does not work for the American people. High taxes don't work for the American people. People want to keep their money.

The House of Representatives is prepared to remedy these concerns for many years to come. The Protecting Family and Small Business Tax Cuts Act of 2018 that is on the floor today as part of tax reform 2.0 would make lower tax rates for all income levels permanent.

Critically, this bill permanently extends a major deduction for pass-through businesses, which make up most of the small businesses in the U.S. This is significant peace of mind for the barbershop in town, for your neighbor's lawn care business, for the garage-to-Main Street startups, and for the millions of business dreams that, for now, are still dreams.

Mr. Speaker, we now have one of the most competitive tax codes on the

globe. Let's make certain that we keep it that way.

Mr. NEAL. Mr. Speaker, might I inquire of the distinguished chairman how many more speakers that he has.

Mr. BRADY of Texas. Mr. Speaker, I have one.

Mr. NEAL. Mr. Speaker, I am prepared to close when the chairman deems it appropriate, and I reserve the balance of my time.

Mr. BRADY of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. MEADOWS), one of the three original lead sponsors of this tax bill.

Mr. MEADOWS. Mr. Speaker, I rise today in support of the pro-growth, pro-family, and pro-small business reforms in tax reform 2.0 led by my good friend Chairman BRADY.

I want to say a special shout-out to him but also to the Ways and Means staff. Let me just tell you, a lot of times we take credit for things that are done, but it is the staff that has done not only a yeoman's job but an outstanding job in doing this. And a real shout-out to Representative RODNEY DAVIS, the bill's sponsor, who believes that it is a good thing to give more of the taxpayers' money back to them.

You have heard arguments on the floor today, Mr. Speaker, all about revenue and about what this needs to do. But the revenue that we are talking about is actually the hardworking wages of men and women on Main Street. It is their money.

I have been around this place too long. I can tell you, I would rather trust a mom and dad on Main Street to spend their money more wisely than any spenders here in Washington, D.C. It is time that we give it back.

Since we signed the last tax bill, the largest in American history, the economy has been booming. Unemployment is at a 50-year low.

□ 1015

New job openings are setting a record pace. We are increasing wages. Consumer confidence, Mr. Speaker, is at its highest level in decades. And while these strong numbers continue to roll in, Congress needs to act to make sure that we are more resolved than ever to make these tax cuts permanent.

You know, we talk about a vibrant economy—4.2 GDP growth. According to some sources, it is now at 4.4. When we look at that kind of GDP growth and economic growth, it means increased wages, it means job security, and that is what we need to make sure that we put back on the docket today.

I ask my colleagues to vote for that. Vote for the men and women on Main Street.

Yes, they may call this tax reform 2.0, but what I call this is actually make sure that we are responsible in Washington, D.C., to give the money back to its rightful owner, which is we, the people.

Now, this indeed makes the tax cuts for individuals permanent, but it also

gives a whole lot of options for families saving for education and those baby savings accounts. It encourages small business development.

It is time, Mr. Speaker, that we act on behalf of those who are doing all the hard work here in America, those small businesses and men and women on Main Street who deserve a break from Washington, D.C.

I thank Chairman BRADY and RODNEY DAVIS for their leadership. I also look forward to working with them to deliver these tax cuts and make sure they are permanent.

Mr. NEAL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am still trying to sort through the commentary of one of the previous speakers who said that he took a call from somebody who said: I have three or four homes, and I am not getting enough in this tax bill.

That is the point of this. He doesn't need any tax relief. That is the very example that we have been highlighting throughout this morning.

Three or four homes and they are complaining they didn't get enough? That is a remarkable comment for somebody to pass on in this Chamber.

This bill was bad on policy and it was bad on procedure. Not one hearing on this legislation. Not one witness. So two tax bills totaling \$3 trillion of debt, all borrowed money with the promise of higher interest rates coming from the Federal Reserve Board, and they are suggesting that that poor fellow who must be sleeping on the grates with three or four homes needs more tax relief. That is exactly what this argument was about.

So the party of fiscal rectitude has now added \$3 trillion of borrowed debt to provide a tax cut for that struggling individual who has three or four homes. Now they want to give him enough, or her enough, to maybe get to five or six homes with the tax bill. Only someone who believes, perhaps, in the argument of Bigfoot would then conclude that that individual needs tax relief.

Every mainstream economist who has spoken about the debt—and this, by the way, cost \$631 billion this morning with what they are about to do, borrowed money, added to the debt, added to our children's responsibilities and our grandchildren's responsibilities.

And to make matters worse, Mr. Speaker, this represents a long-term threat, now, to Social Security and Medicare, because they are going to come back and say: Well, the debt is so high that we have to cut Social Security and we have to cut Medicare.

They should back away from the mistake that they are making this morning. Go back to some hearings. Go back through some process. Go back to a conversation with both parties. Barack Obama was at 28 percent, the corporate rate. We could have found a common point of agreement on this.

This sham is a reckless tax cut for that poor individual who has three or

four homes. But at the same time, and, simultaneously, they leave behind the hardworking average men and women of this country.

I urge our colleagues to oppose this legislation, and I yield back the balance of my time.

Mr. BRADY of Texas. Mr. Speaker, may I ask how much time I have left.

The SPEAKER pro tempore (Mr. WEBER of Texas). The gentleman from Texas has 4 minutes remaining.

Mr. BRADY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would note that the average middle-class family in my good friend Mr. NEAL's district back home in Massachusetts will see a tax cut of nearly \$2,000 each year.

So let's fact-check a couple of these claims today. Let's fact-check a few things, starting with my friend Mr. NEAL's point about Dr. Wenstrup's call.

That gentleman wasn't complaining he didn't get enough tax cuts. He said his taxes would go up significantly. And he is correct, because under the Tax Cuts and Jobs Act, this relief goes to middle-class families and low-income families working their way up.

In fact, after the Tax Cuts and Jobs Act, millionaires of America who used to shoulder 19 percent of the tax burden now will shoulder 20 percent of the tax burden. They will carry more because this tax reform was designed for middle-class, working families.

Earlier today, we heard our respected Democratic leader say many things, including that the GOP tax cuts provide at least \$1.3 trillion in tax breaks to corporations. FactCheck.org says that claim is misleading. In fact, of the \$1½ trillion, over \$1 trillion is for individual taxpayers.

Leader PELOSI said 86 million middle-class families will see a tax increase. The Washington Post gave her 2 Pinocchios, saying most every U.S. taxpayer can expect some kind of tax cut according to just about every analysis.

A lawmaker from Wisconsin, Democrat: Never let the GOP tell you again they support low taxes. They don't, unless you are already a billionaire or massive corporation.

PolitiFact gave that Democratic lawmaker a pants on fire rating, saying this will provide tax relief for the middle class, and most people in low-income households will see cuts as well.

Leader CHUCK SCHUMER said companies are laying off American workers because of tax reform. PolitiFact said that was mostly false.

A California assemblyman says GOP tax cuts are nothing more than a middle-class tax increase. PolitiFact just killed them, called that just flat-out false.

Senator CLAIRE McCASKILL said the tax cuts are not going to be helpful to the vast majority of people. The Washington Post also gave her two Pinocchios, said that is flat wrong, says she ignores the immediate impact

of the law, which means noticeable tax cuts for her constituents for a number of years.

And, of course, dozens of Democrats continue to state 83 percent of all tax breaks go to the top 1 percent. FactCheck.org—down, misleading, because it cites projections for 2027. In fact, the only way that will be true is if you vote “no” today. If you vote “yes,” these middle-class tax cuts are permanent.

We have heard, today, scare tactics about the impact to Social Security and Medicare. Let me cite the Joint Economic Committee that shows the Congressional Budget Office said the Medicare trust fund solvency improved after tax reform. The tax reform strengthened the major funding source for the Medicare trust fund. Americans leaving disability for jobs due to a stronger economy will improve Medicare solvency, and the number of uninsured Americans fell—fell—after tax reform in the individual mandate.

And the final point, let's talk about debts and deficits, Mr. Speaker. This is a pleasant surprise to hear our Democrats suddenly concerned. They weren't, under President Obama, when they doubled the national debt. They added \$2 trillion in just 1 year.

I am not going to talk about sailors who drink. I will just say this. Democrats were concerned, didn't care about deficits when they were spending your money; but now that you are spending your money, all of a sudden, everything is changed.

The truth of the matter is: Who do you trust, Washington to spend your money, or you and your family?

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Members are reminded to refrain from engaging in personalities toward Members of the Senate.

All time for debate has expired.

Pursuant to House Resolution 1084, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. LARSON of Connecticut. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. LARSON of Connecticut. Mr. Speaker, I am in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Larson of Connecticut moves to recommit the bill H.R. 6760 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Add at the end the following new title:

TITLE III—EFFECTIVE DATE

SEC. 300. SHORT TITLE.

This title may be cited as the “Protect Medicare and Social Security Trust Funds Act of 2018”.

SEC. 301. EFFECTIVE DATE.

Notwithstanding any other provision of this Act, no provision of this Act (or any amendment made thereby) shall take effect unless and until the Chief Actuaries of the Medicare Hospital Insurance Trust Fund and of the Old-Age and Survivor Insurance and Disability Insurance Trust Funds have certified that the enactment of this Act will not harm the financial position of any of these trust funds. Such analysis shall be based on widely agreed-upon economic theory, conventionally agreed-upon economic metrics of macroeconomic analysis, and accepted models of distribution and growth.

Mr. BRADY of Texas (during the reading). Mr. Speaker, I reserve a point of order.

The SPEAKER pro tempore. A point of order is reserved.

The Clerk will continue to read.

The Clerk continued to read.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Connecticut (Mr. LARSON) is recognized for 5 minutes in support of his motion.

Mr. LARSON of Connecticut. Mr. Speaker, I want to say straightforwardly to my colleagues on the other side, this is as straightforward and it is as simple as it can be: Nothing in this bill can take effect unless and until the chief actuaries have certified that this bill will do no harm to Medicare and Social Security.

Now, unlike Members of Congress who have a pension plan, who have a Thrift Savings Plan, who also have Social Security, for one-third of all seniors in this country, they rely on Social Security alone; and for two-thirds of all seniors—and that is your mothers and fathers and aunts and uncles and nieces and nephews and friends and family—90 percent of their income comes from Social Security.

Mr. Speaker, 10,000—10,000—baby boomers become eligible for Social Security every single day; and yet, as Mr. NEAL has pointed out, the lack of hearings, the lack of any substantive debate on Social Security and Medicare. It has been nonexistent.

I include in the RECORD a letter from Robert Greenstein from the Center on Budget and Policy Priorities, and I think it bears listening to so that you get a full understanding and impact of what happens when this so-called tax reform bill takes effect and its burden is thrust squarely on the people who are in most need at the time.

[From the Center on Budget and Policy Priorities, Sept. 10, 2018]

GREENSTEIN: HOUSE REPUBLICAN TAX PROPOSAL REPEATS FLAWS IN 2017 TAX LAW

CBPP released the following statement from Robert Greenstein, president, on House of Republican leaders' release of their "2.0" tax proposal:

Today's tax proposal from House Republican leaders doubles down on the fundamental flaws of the 2017 tax law by further expanding deficits and once again favoring people with the highest incomes. The proposal calls for making permanent the 2017 law's individual tax provisions. Those provisions benefit households in the top 1 percent twice as much as households in the bottom 60 percent, measured as a share of income.

Making these provisions permanent would cost roughly \$650 billion over 2019 to 2028, ac-

cording to the Joint Tax Committee. Large as it is, this estimate significantly understates the long-term cost because the bill largely affects only the final three years of the 2019–2028 "budget window." We estimate that the legislation would cost roughly \$2.9 trillion over 2026 to 2035, the first full decade it would be in effect.

The revenue loss would come at a time when the baby boom generation will be retiring in large numbers and moving into "old-old age," causing Medicare and Social Security costs to rise considerably. Indeed, 2026, the year in which most of the new GOP tax legislation would start having effect, is the first year in which all members of the baby boom generation—including the youngest—will be eligible to draw Social Security retirement benefits. It's also the year in which the oldest baby boomers will turn 80; people in their 80s have higher health care costs, on average, than younger seniors do. The nation will need more revenues to help meet these and other challenges, such as a decaying infrastructure, not fewer revenues.

Policymakers should fix the flaws of the 2017 tax law, not extend them and compound the damage.

The Center on Budget and Policy Priorities is a nonprofit, nonpartisan research organization and policy institute that conducts research and analysis on a range of government policies and programs. It is supported primarily by foundation grants.

Mr. LARSON of Connecticut. Mr. Speaker, Mr. Greenstein says: "We estimate that the legislation would cost roughly \$2.9 trillion over 2026 to 2035, the first full decade it would be in effect."

"The revenue loss would come at a time when the baby boom generation will be retiring in large numbers . . . causing Medicare and Social Security costs to rise considerably."

Indeed, when this bill kicks in in 2026, it is the first year in which all members of the baby boom generation, including the youngest, will be eligible to draw on their Social Security retirement funds. It is also the year in which those in that generation will turn 80; and, as we all know, that is the time when they need medical attention the most and a time when the Nation will desperately need these revenues.

My Republican colleagues are paying for this tax reform on the backs of American seniors, forcing devastating cuts to Social Security and Medicare. Under the guise of tax reform, the trillions they are adding to the deficit is no accident, and cutting Social Security and Medicare has always been the next step.

News flash to my colleagues who refer to Social Security and Medicare as an entitlement: It is not an entitlement. It is the insurance that people have paid for, working all their life.

And how do we know this? How do we know this, America? Because all they have to do is check their pay stub where it says, "FICA," Federal Insurance Contributions Act.

Whose? Theirs, the hardworking people of America, who understand that this is the insurance that they have paid for. This is what they need in life. And at the very critical time when the full complement of baby boomers are retiring, they get burdened and saddled with this debt.

□ 1030

I would like to hope that our colleagues would at least listen to President Trump, President Trump, who said: We're not going to hurt the people who are paying into Social Security their whole life, and then, all of a sudden they're supposed to get less?

I hope our colleagues follow their President's lead, and understand the vital importance of making sure, not only that we protect Social Security, that we expand it at a time when it is most critical to all of them.

It would be great if we ever have a public hearing on it; but I have a profound inclination to understand that when Mr. NEAL is chairman of this committee, we will take this bill up.

Mr. Speaker, I yield back the balance of my time.

Mr. BRADY of Texas. Mr. Speaker, I withdraw my reservation of a point of order.

The SPEAKER pro tempore. The reservation of a point of order is withdrawn.

Mr. BRADY of Texas. Mr. Speaker, I rise in opposition to the motion to reconsider.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. BRADY of Texas. Mr. Speaker, you know Washington. You know Washington. If you don't have an argument, just scare people; just frighten them to death. That will work.

But people are smart. When you calm down all the rhetoric and all the anger and all the outrage, what we know is this: The Congressional Budget Office—it isn't Republican or Democrat—it found the Medicare Trust Fund solvency got better after tax reform.

In fact, tax reform strengthened the major funding source for the Medicare Trust Fund and now, because we have more people, especially those disabled, going back to work, getting a job that they had hoped for, it is actually improving Medicare solvency. So that great big scare tactic just got fact-checked.

In fact, already this year, the Federal Government is receiving \$105 billion more, Mr. Speaker, in payroll taxes and individual taxes, and those payroll taxes are what are the foundation of Social Security and Medicare.

The truth of the matter is, as we look at this bill, both parties claim to be champions of hardworking taxpayers. Well, let's check.

So, under this bill, a single mom, working her way out of poverty, permanently will see \$1,700 more in her paycheck each year. Democrats who vote "no" will steal that money back from that single mom.

Middle-class family of two, two teachers in my district, with two kids, under this bill, permanently will see a tax cut of \$2636. A "no" vote steals that money back from that family.

That Main Street business, moms and pops working all hours, all weekends, all year, under this bill, permanently they will see a tax cut of \$3,000

every year, and they can write off on their taxes that new computer, that new equipment, that new improvement to their store. A “no” vote hammers America’s Main Street businesses.

Young parents, struggling to raise kids, where every dollar matters, this bill makes sure that that doubling of the child tax credit is permanent, and millions more Americans, middle-class families, will get help raising their precious children. A “no” vote is to take that money back from those young parents. Oh, by the way, take back their tax-free savings for school and college for that child as well.

And, yes, in this bill, we make sure seniors can write off more of their high medical expenses. Some called it the cancer tax. A “yes” vote will help millions of seniors and millions of families with high medical bills more easily write those taxes off. A “no” vote is to deny American seniors, American families’ ability to write off those taxes.

Now, we know, thanks to ObamaCare, high out-of-pocket costs is now the pre-existing condition. This bill makes sure that we stand on the side of those seniors, whether they are battling cancer or some other menaces.

At the end of the day, while some would say, look, we need to raise the SALT cap, let me just say this: That SALT cap is a \$10 tax cut for the middle class and a \$146,000 tax cut for millionaires. In other words, Democrats who vote “no” say they just want more tax cuts for the rich.

And the fact of the matter is, States are seeing a \$20 billion windfall. State governments and Governors, all they need do, don’t pocket that money for their budget, pass it on to hard working taxpayers.

At the end of the day, the revenues are up. Payroll taxes are up. Social Security and Medicare are strengthened.

So at the end of the day, who do you trust? Who do you trust with your hard-earned money? Is it Washington, so they can take it and spend it on their special interests? Is it you? Is it your family? Is it your American Dream?

This bill is about making sure that we choose the American people. We choose you, the middle-class families. We choose you, Main Street America, to better use your money than Washington does.

As we conclude, Mr. Speaker, I would like to thank our tax team, led by Barbara Angus, our Chief Tax Counsel, Aharon Friedman, Randy Gartin, Aaron Junge, Loren Ponds, John Sandell, Donald Schneider, Victoria Glover, John Schoenecker, and Quinton Brady, for doing a remarkable job for us and for the American people.

I urge a “yes” on protecting tax cuts for individuals, middle-class families, and small businesses.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit. The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. LARSON of Connecticut. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or votes objected to under clause 6 of rule XX.

The House will resume proceedings on postponed questions at a later time.

SUBSTANCE USE-DISORDER PREVENTION THAT PROMOTES OPIOID RECOVERY AND TREATMENT FOR PATIENTS AND COMMUNITIES ACT

Mr. WALDEN. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1099) providing for the concurrence by the House in the Senate amendment to H.R. 6, with an amendment.

The Clerk read the title of the resolution.

The text of the resolution is as follows:

H. RES. 1099

Resolved, That upon the adoption of this resolution the House shall be considered to have taken from the Speaker’s table the bill, H.R. 6, with the Senate amendment thereto, and to have concurred in the Senate amendment with the following amendment:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the text of the bill, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act” or the “SUPPORT for Patients and Communities Act”.

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

Sec. 1. Short title; table of contents.

TITLE I—MEDICAID PROVISIONS TO ADDRESS THE OPIOID CRISIS

Sec. 1001. At-risk youth Medicaid protection.

Sec. 1002. Health insurance for former foster youth.

Sec. 1003. Demonstration project to increase substance use provider capacity under the Medicaid program.

Sec. 1004. Medicaid drug review and utilization.

Sec. 1005. Guidance to improve care for infants with neonatal abstinence syndrome and their mothers; GAO study on gaps in Medicaid coverage for pregnant and postpartum women with substance use disorder.

Sec. 1006. Medicaid health homes for substance-use-disorder Medicaid enrollees.

Sec. 1007. Caring recovery for infants and babies.

Sec. 1008. Peer support enhancement and evaluation review.

Sec. 1009. Medicaid substance use disorder treatment via telehealth.

Sec. 1010. Enhancing patient access to non-opioid treatment options.

Sec. 1011. Assessing barriers to opioid use disorder treatment.

Sec. 1012. Help for moms and babies.

Sec. 1013. Securing flexibility to treat substance use disorders.

Sec. 1014. MACPAC study and report on MAT utilization controls under State Medicaid programs.

Sec. 1015. Opioid addiction treatment programs enhancement.

Sec. 1016. Better data sharing to combat the opioid crisis.

Sec. 1017. Report on innovative State initiatives and strategies to provide housing-related services and supports to individuals struggling with substance use disorders under Medicaid.

Sec. 1018. Technical assistance and support for innovative State strategies to provide housing-related supports under Medicaid.

TITLE II—MEDICARE PROVISIONS TO ADDRESS THE OPIOID CRISIS

Sec. 2001. Expanding the use of telehealth services for the treatment of opioid use disorder and other substance use disorders.

Sec. 2002. Comprehensive screenings for seniors.

Sec. 2003. Every prescription conveyed securely.

Sec. 2004. Requiring prescription drug plan sponsors under Medicare to establish drug management programs for at-risk beneficiaries.

Sec. 2005. Medicare coverage of certain services furnished by opioid treatment programs.

Sec. 2006. Encouraging appropriate prescribing under Medicare for victims of opioid overdose.

Sec. 2007. Automatic escalation to external review under a Medicare part D drug management program for at-risk beneficiaries.

Sec. 2008. Suspension of payments by Medicare prescription drug plans and MA-PD plans pending investigations of credible allegations of fraud by pharmacies.

TITLE III—FDA AND CONTROLLED SUBSTANCE PROVISIONS

Subtitle A—FDA Provisions

CHAPTER 1—IN GENERAL

Sec. 3001. Clarifying FDA regulation of non-addictive pain products.

Sec. 3002. Evidence-based opioid analgesic prescribing guidelines and report.

CHAPTER 2—STOP COUNTERFEIT DRUGS BY REGULATING AND ENHANCING ENFORCEMENT NOW

Sec. 3011. Short title.

Sec. 3012. Notification, nondistribution, and recall of controlled substances.

Sec. 3013. Single source pattern of imported illegal drugs.

Sec. 3014. Strengthening FDA and CBP coordination and capacity.

CHAPTER 3—STOP ILLICIT DRUG IMPORTATION

Sec. 3021. Short title.

Sec. 3022. Restricting entrance of illicit drugs.