

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1575

To amend the Internal Revenue Code of 1986 to allow a deduction for social security taxes imposed on wages paid for dependent care services in the home.

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IN THE HOUSE OF REPRESENTATIVES

MARCH 31, 1993

Mrs. MALONEY introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a deduction for social security taxes imposed on wages paid for dependent care services in the home.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. DEDUCTION FOR CERTAIN SOCIAL SECURITY**  
4 **TAXES.**

5 (a) GENERAL RULE.—Section 164 of the Internal  
6 Revenue Code of 1986 (relating to deduction for taxes)  
7 is amended by redesignating subsection (g) as subsection  
8 (h) and by inserting after subsection (f) the following new  
9 subsection:

1       “(g) DEDUCTION FOR CERTAIN SOCIAL SECURITY  
2 TAXES.—

3           “(1) IN GENERAL.—In the case of an individ-  
4 ual, in addition to the taxes described in subsection  
5 (a), there shall be allowed as a deduction for the  
6 taxable year an amount equal to the dependent-care  
7 provider social security taxes paid by the taxpayer  
8 during the taxable year.

9           “(2) DEPENDENT-CARE PROVIDER SOCIAL SE-  
10 CURITY TAXES.—For purposes of paragraph (1), the  
11 term ‘dependent-care provider social security taxes’  
12 means any taxes—

13           “(A) which are imposed by section 3111 on  
14 wages paid by the taxpayer for domestic serv-  
15 ices in the private home of the taxpayer,

16           “(B) the payment of which by the taxpayer  
17 qualify as employment-related expenses under  
18 section 21(b), and

19           “(C) which the taxpayer elects to take into  
20 account under this subsection.

21           “(3) DEPENDENT-CARE CREDIT NOT ALLOWED  
22 FOR DEDUCTED TAXES.—Any dependent-care pro-  
23 vider social security taxes allowed as a deduction  
24 under this subsection shall not be taken into account

1 in determining the amount of the credit allowed  
2 under section 21(a).”

3 (b) DEDUCTION ALLOWED IN COMPUTING AD-  
4 JUSTED GROSS INCOME.—Subsection (a) of section 62  
5 (defining adjusted gross income) is amended by inserting  
6 after paragraph (14) the following new paragraph:

7 “(15) DEDUCTION FOR CERTAIN SOCIAL SECU-  
8 RITY TAXES.—The deduction allowed by section  
9 164(g).”

10 (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to taxable years beginning after  
12 December 31, 1993.

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