

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

# S. 1669

To amend the Internal Revenue Code of 1986 to allow homemakers to get a full IRA deduction.

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## IN THE SENATE OF THE UNITED STATES

NOVEMBER 17 (legislative day, NOVEMBER 2), 1993

Mrs. HUTCHISON (for herself, Ms. MIKULSKI, and Mrs. FEINSTEIN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to allow homemakers to get a full IRA deduction.

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. HOMEMAKERS ELIGIBLE FOR FULL IRA DE-**  
4 **DUCTION.**

5 (a) SPOUSAL IRA COMPUTED ON BASIS OF COM-  
6 PENSATION OF BOTH SPOUSES.—Subsection (c) of section  
7 219 of the Internal Revenue Code of 1986 (relating to  
8 special rules for certain married individuals) is amended  
9 to read as follows:

1       “(c) SPECIAL RULES FOR CERTAIN MARRIED INDI-  
2       VIDUALS.—

3               “(1) IN GENERAL.—In the case of an individual  
4       to whom this paragraph applies for the taxable year,  
5       the limitation of paragraph (1) of subsection (b)  
6       shall be equal to the lesser of—

7                       “(A) \$2,000, or

8                       “(B) the sum of—

9                               “(i) the compensation includible in  
10       such individual’s gross income for the tax-  
11       able year, plus

12                               “(ii) the compensation includible in  
13       the gross income of such individual’s  
14       spouse for the taxable year reduced by the  
15       amount allowable as a deduction under  
16       subsection (a) to such spouse for such tax-  
17       able year.

18               “(2) INDIVIDUALS TO WHOM PARAGRAPH (1)  
19       APPLIES.—Paragraph (1) shall apply to any individ-  
20       ual if—

21                       “(A) such individual files a joint return for  
22       the taxable year, and

23                       “(B) the amount of compensation (if any)  
24       includible in such individual’s gross income for  
25       the taxable year is less than the compensation

1            includible in the gross income of such individ-  
2            ual's spouse for the taxable year.”.

3            (b) IRA ALLOWED FOR SPOUSES WHO ARE NOT AC-  
4            TIVE PLAN PARTICIPANTS.—Section 219(g)(1) of the In-  
5            ternal Revenue Code of 1986 is amended by striking “or  
6            the individual's spouse”.

7            (c) CONFORMING AMENDMENTS.—

8            (1) Paragraph (2) of section 219(f) of the In-  
9            ternal Revenue Code of 1986 (relating to other defi-  
10            nitions and special rules) is amended by striking  
11            “subsections (b) and (c)” and inserting “subsection  
12            (b)”.

13            (2) Section 408(d)(5) of such Code is amended  
14            by striking “\$2,250” and inserting “\$2,000”.

15            (d) EFFECTIVE DATE.—The amendments made by  
16            this section shall apply to taxable years beginning after  
17            December 31, 1993.

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