

103^D CONGRESS
2^D SESSION

S. 2557

To amend the Internal Revenue Code of 1986 to reinstate the 80-percent limitation on the deductible portion of meal expenses.

IN THE SENATE OF THE UNITED STATES

OCTOBER 8 (legislative day, SEPTEMBER 12), 1994

Mr. SIMPSON introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to reinstate the 80-percent limitation on the deductible portion of meal expenses.

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. REINSTATEMENT OF 80-PERCENT LIMITATION**
4 **ON DEDUCTIBLE PORTION OF MEAL EX-**
5 **PENSES.**

6 (a) IN GENERAL.—Paragraph (1) of section 274(n)
7 of the Internal Revenue Code of 1986 (relating to limita-
8 tion on deductibility of meal and entertainment expenses)
9 is amended by striking “50 percent of the amount of such
10 expense or item” and inserting “80 percent of the amount

1 of any such expense, or 50 percent of the amount of any
2 such item.”.

3 (b) CONFORMING AMENDMENT.—The heading for
4 section 274(n) of such Code is amended by striking
5 “ONLY 50 PERCENT OF” and inserting “LIMITATION ON”.

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

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