

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1493

To amend the Internal Revenue Code of 1986 to allow nonitemizers a deduction for a portion of their charitable contributions and to exempt the charitable contribution deduction from the overall limitation on itemized deductions.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 1995

Mr. CRANE (for himself, Mr. RANGEL, and Mr. COX) 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 nonitemizers a deduction for a portion of their charitable contributions and to exempt the charitable contribution deduction from the overall limitation on itemized deductions.

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 PORTION OF CHARITABLE**  
4                               **CONTRIBUTIONS TO BE ALLOWED TO INDI-**  
5                               **VIDUALS WHO DO NOT ITEMIZE DEDUCTIONS.**

6       (a) IN GENERAL.—Section 170 of the Internal Reve-  
7       nue Code of 1986 (relating to charitable, etc., contribu-

1 tions and gifts) is amended by redesignating subsection  
2 (m) as subsection (n) and by inserting after subsection  
3 (l) the following new subsection:

4 “(m) DEDUCTION FOR INDIVIDUALS NOT ITEMIZING  
5 DEDUCTIONS.—In the case of an individual who does not  
6 itemize his deductions for the taxable year, the amount  
7 allowable under subsection (a) for the taxable year shall  
8 be taken into account as a direct charitable deduction  
9 under section 63 to the extent such amount exceeds  
10 \$1,000 (\$2,000 in the case of a joint return).”

11 (b) DIRECT CHARITABLE DEDUCTION.—

12 (1) IN GENERAL.—Subsection (b) of section 63  
13 of such Code is amended by striking “and” at the  
14 end of paragraph (1), by striking the period at the  
15 end of paragraph (2) and inserting “, and”, and by  
16 adding at the end thereof the following new para-  
17 graph:

18 “(3) the direct charitable deduction.”

19 (2) DEFINITION.—Section 63 of such Code is  
20 amended by redesignating subsection (g) as sub-  
21 section (h) and by inserting after subsection (f) the  
22 following new subsection:

23 “(g) DIRECT CHARITABLE DEDUCTION.—For pur-  
24 poses of this section, the term ‘direct charitable deduction’  
25 means that portion of the amount allowable under section

1 170(a) which is taken as a direct charitable deduction for  
2 the taxable year under section 170(m).”

3 (3) CONFORMING AMENDMENT.—Subsection (d)  
4 of section 63 of such Code is amended by striking  
5 “and” at the end of paragraph (1), by striking the  
6 period at the end of paragraph (2) and inserting “,  
7 and”, and by adding at the end thereof the following  
8 new paragraph:

9 “(3) the direct charitable deduction.”

10 (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to taxable years beginning after  
12 December 31, 1995.

13 **SEC. 2. CHARITABLE CONTRIBUTION DEDUCTION NOT SUB-**  
14 **JECT TO OVERALL LIMITATION ON ITEMIZED**  
15 **DEDUCTIONS.**

16 (a) IN GENERAL.—Subsection (c) of section 68 of the  
17 Internal Revenue Code of 1986 (relating to overall limita-  
18 tion on itemized deductions) is amended by striking “and”  
19 at the end of paragraph (2), by striking the period at the  
20 end of paragraph (3) and inserting “, and”, and by adding  
21 at the end thereof the following new paragraph:

22 “(4) the deduction under section 170 (relating  
23 to charitable, etc., contributions and gifts).”

1       (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) shall apply to taxable years beginning after  
3 December 31, 1995.

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