## <sup>104TH CONGRESS</sup> **H. R. 4301**

To amend the Internal Revenue Code of 1986 to provide that elected tax collectors shall be treated as self-employed for certain purposes.

## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 1996

Mr. GOODLING introduced the following bill; which was referred to the Committee on Ways and Means

## A BILL

To amend the Internal Revenue Code of 1986 to provide that elected tax collectors shall be treated as self-employed for certain purposes.

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. TREATMENT OF ELECTED TAX COLLECTORS.

4 (a) DEDUCTION OF EXPENSES FROM GROSS IN5 COME.—Paragraph (2) of section 62(a) of the Internal
6 Revenue Code of 1986 (defining adjusted gross income)
7 is amended by adding at the end the following new sub8 paragraph:

9 "(C) CERTAIN EXPENSES OF ELECTED
10 TAX COLLECTORS.—The deductions allowed by

1 section 162 which consist of expenses paid or 2 incurred by an elected tax collector in connec-3 tion with the performance by him of tax collec-4 tion services as an employee. For purposes of 5 the preceding sentence, the term 'elected tax 6 collector' means any individual who is elected to 7 collect county, local, and school district taxes 8 within such individual's electoral district and 9 who, as such, is an employee."

(b) ELIGIBILITY FOR KEOGH PLAN IF NOT PARTICIPATING IN PUBLIC RETIREMENT PLAN.—Paragraph (2)
of section 401(c) of such Code is amended by redesignating the subparagraph relating to income from disposition
of certain property as subparagraph (B) and by inserting
after such subparagraph the following new subparagraph:

"(C) INCOME OF ELECTED TAX COLLEC-16 17 TORS.—For purposes of this section, in the case 18 of an elected tax collector (as defined in section 19 62(a)(2)(C)) who is not a participant (as such 20 a collector) in a retirement system of a State or 21 local government, the term 'earned income' in-22 cludes the amount by which the individual's net 23 earnings from self-employment (as defined in 24 section 1402(a)) would increase if the individual

were not an employee with respect to the per formance of tax collection services."
 (c) EFFECTIVE DATE.—The amendments made by

4 this section shall apply to taxable years beginning after5 the date of the enactment of this Act.

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