

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

# S. 287

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

JANUARY 26 (legislative day, JANUARY 10), 1995

Mrs. HUTCHISON (for herself, Ms. MIKULSKI, Mr. ABRAHAM, Mr. ASHCROFT, Mr. BENNETT, Mr. BOND, Mr. BROWN, Mr. BURNS, Mr. COATS, Mr. COCHRAN, Mr. COHEN, Mr. COVERDELL, Mr. CRAIG, Mr. D'AMATO, Mr. DEWINE, Mr. DOLE, Mr. DOMENICI, Mr. FAIRCLOTH, Mr. FRIST, Mr. GORTON, Mr. GRAMM, Mr. GRAMS, Mr. GRASSLEY, Mr. GREGG, Mr. HATCH, Mr. HATFIELD, Mr. HELMS, Mr. INHOFE, Mrs. KASSEBAUM, Mr. KEMPTHORNE, Mr. KYL, Mr. JEFFORDS, Mr. LOTT, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. PRESSLER, Mr. ROTH, Mr. SANTORUM, Mr. SHELBY, Mr. SIMPSON, Mr. SMITH, Ms. SNOWE, Mr. STEVENS, Mr. THOMAS, Mr. THOMPSON, Mr. THURMOND, Mr. WARNER, Mr. BREAUX, Mrs. FEINSTEIN, Mr. JOHNSTON, Mr. MOYNIHAN, Mrs. MURRAY, Mr. REID, Ms. MOSELEY-BRAUN, and Mr. SIMON) 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,*

1 **SECTION 1. HOMEMAKERS ELIGIBLE FOR FULL IRA DE-**  
2 **DUCTION.**

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

8 “(c) SPECIAL RULES FOR CERTAIN MARRIED INDI-  
9 VIDUALS.—

10 “(1) IN GENERAL.—In the case of an individual  
11 to whom this paragraph applies for the taxable year,  
12 the limitation of paragraph (1) of subsection (b)  
13 shall be equal to the lesser of—

14 “(A) \$2,000, or

15 “(B) the sum of—

16 “(i) the compensation includible in  
17 such individual’s gross income for the tax-  
18 able year, plus

19 “(ii) the compensation includible in  
20 the gross income of such individual’s  
21 spouse for the taxable year reduced by the  
22 amount allowable as a deduction under  
23 subsection (a) to such spouse for such tax-  
24 able year.

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

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

6                   “(B) the amount of compensation (if any)  
7 includible in such individual’s gross income for  
8 the taxable year is less than the compensation  
9 includible in the gross income of such individ-  
10 ual’s spouse for the taxable year.”

11 (b) CONFORMING AMENDMENTS.—

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

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

19           (c) EFFECTIVE DATE.—The amendments made by  
20 this section shall apply to taxable years beginning after  
21 December 31, 1994.

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