

106TH CONGRESS
1ST SESSION

H. R. 106

To amend the Internal Revenue Code of 1986 to eliminate the tax on the net capital gain of taxpayers other than corporations.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1999

Mr. KNOLLENBERG 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 eliminate the tax on the net capital gain of taxpayers other than corporations.

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. SHORT TITLE.**

4 This Act may be cited as the “Job Creation Act of
5 1999”.

6 **SEC. 2. EXCLUSION OF NET CAPITAL GAIN OF TAXPAYERS**

7 **OTHER THAN CORPORATIONS.**

8 (a) IN GENERAL.—Part I of subchapter P of chapter
9 1 of the Internal Revenue Code of 1986 (relating to treat-

1 ment of capital gains) is amended by adding at the end
2 the following new section:

3 **“SEC. 1203. EXCLUSION OF NET CAPITAL GAIN OF TAX-**
4 **PAYERS OTHER THAN CORPORATIONS.**

5 “In the case of a taxpayer other than a corporation,
6 gross income shall not include an amount equal to the net
7 capital gain of the taxpayer for the taxable year.”

8 (b) CONFORMING AMENDMENTS.—

9 (1) Section 1 of such Code is amended by strik-
10 ing subsection (h).

11 (2) Subsection (b) of section 55 of such Code
12 is amended by striking paragraph (3).

13 (3) Section 1222 of such Code is amended by
14 adding at the end the following new sentence:

15 “Determinations under this section shall be made before
16 the application of section 1203.”

17 (4) The table of sections for part I of sub-
18 chapter P of chapter 1 of such Code is amended by
19 adding at the end the following new item:

“Sec. 1203. Exclusion of net capital gain of taxpayers other than
corporations.”

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to taxable years beginning after
22 December 31, 1998.

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