

106TH CONGRESS
2^D SESSION

H. R. 5040

To amend the Internal Revenue Code of 1986 to ensure that income averaging for farmers not increase a farmer's liability for the alternative minimum tax.

IN THE HOUSE OF REPRESENTATIVES

JULY 27, 2000

Mr. HERGER (for himself, Mrs. THURMAN, Mr. HAYWORTH, Ms. DUNN, Mr. TANNER, Mr. CAMP, Mr. MCCREERY, Mr. ENGLISH, and Mr. FOLEY) 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 ensure that income averaging for farmers not increase a farmer's liability for the alternative minimum tax.

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 "Farmer Tax Fairness
5 Act".

1 **SEC. 2. INCOME AVERAGING FOR FARMERS NOT TO IN-**
2 **CREASE ALTERNATIVE MINIMUM TAX LIABIL-**
3 **ITY.**

4 (a) **IN GENERAL.**—Section 55(c) of the Internal Rev-
5 enue Code of 1986 (defining regular tax) is amended by
6 redesignating paragraph (2) as paragraph (3) and by in-
7 serting after paragraph (1) the following:

8 “(2) **COORDINATION WITH INCOME AVERAGING**
9 **FOR FARMERS.**—Solely for purposes of this section,
10 section 1301 (relating to averaging of farm income)
11 shall not apply in computing the regular tax.”

12 (b) **EFFECTIVE DATE.**—The amendments made by
13 this section shall apply to taxable years beginning after
14 December 31, 1997.

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