

106TH CONGRESS  
1ST SESSION

# S. 665

To amend the Congressional Budget and Impoundment Control Act of 1974  
to prohibit the consideration of retroactive tax increases.

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## IN THE SENATE OF THE UNITED STATES

MARCH 18, 1999

Mr. COVERDELL (for himself, Mr. HAGEL, Mrs. HUTCHISON, Mr. KYL, Mr. INHOFE, and Mr. GRASSLEY) introduced the following bill; which was read twice and referred jointly pursuant to the order of August 4, 1977, to the Committees on the Budget and Governmental Affairs, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged

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## A BILL

To amend the Congressional Budget and Impoundment Control Act of 1974 to prohibit the consideration of retroactive tax increases.

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. AMENDMENTS TO THE CONGRESSIONAL BUDG-**  
4 **ET AND IMPOUNDMENT CONTROL ACT OF**  
5 **1974.**

6 (a) IN GENERAL.—Title III of the Congressional  
7 Budget and Impoundment Control Act of 1974 is amend-  
8 ed by adding at the end the following:

1 “PROHIBITION ON THE CONSIDERATION OF RETROACTIVE  
2 TAX INCREASES

3 “SEC. 316. (a) IN GENERAL.—It shall not be in order  
4 in the House of Representatives or the Senate to consider  
5 any bill, joint resolution, amendment, motion, or con-  
6 ference report, that includes a retroactive Federal income  
7 tax rate increase.

8 “(b) DEFINITION.—In this section—

9 “(1) the term ‘Federal income tax rate in-  
10 crease’ means any amendment to subsection (a), (b),  
11 (c), (d), or (e) of section 1, or to section 11(b) or  
12 55(b), of the Internal Revenue Code of 1986, that  
13 imposes a new percentage as a rate of tax and there-  
14 by increases the amount of tax imposed by any such  
15 section; and

16 “(2) a Federal income tax rate increase is ret-  
17 roactive if it applies to a period beginning prior to  
18 the enactment of the provision.”.

19 (b) SUPERMAJORITY POINT OF ORDER.—Subsections  
20 (c) and (d) of section 904 of the Congressional Budget  
21 and Impoundment Control Act of 1974 are amended by  
22 inserting “314,” after “313,”.

23 (c) CONFORMING AMENDMENT.—The table of con-  
24 tents for the Congressional Budget and Impoundment

1 Control Act of 1974 is amended by inserting after the item  
2 relating to section 315 the following:

“Sec. 316. Prohibition on the consideration of retroactive tax increases.”.

3 (d) EFFECTIVE DATE.—The amendments made by  
4 this section take effect on January 1, 1999.

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