

108TH CONGRESS  
1ST SESSION

# S. 1196

To eliminate the marriage tax penalty permanently in 2003.

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IN THE SENATE OF THE UNITED STATES

JUNE 5, 2003

Mrs. HUTCHISON (for herself, Mr. BROWNBACK, Mr. BUNNING, Mr. BURNS, Mr. COCHRAN, Mr. FITZGERALD, and Mr. HAGEL) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To eliminate the marriage tax penalty permanently in 2003.

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 “Permanent Marriage  
5       Penalty Relief Act of 2003”.

6       **SEC. 2. ACCELERATION OF MARRIAGE PENALTY RELIEF**  
7                               **PROVISIONS.**

8               (a) **ELIMINATION OF MARRIAGE PENALTY IN STAND-**  
9       **ARD DEDUCTION.—**

1           (1) IN GENERAL.—Paragraph (2) of section  
2           63(c) of the Internal Revenue Code of 1986 (relat-  
3           ing to standard deduction) is amended—

4                   (A) by striking “the applicable percentage  
5                   of the dollar amount in effect under subpara-  
6                   graph (D)” in subparagraph (A) and inserting  
7                   “200 percent of the dollar amount in effect  
8                   under subparagraph (C)”;

9                   (B) by adding “or” at the end of subpara-  
10                  graph (B);

11                  (C) by striking subparagraph (C);

12                  (D) by redesignating subparagraph (D) as  
13                  subparagraph (C); and

14                  (E) by striking the last sentence.

15           (2) CONFORMING AMENDMENTS.—

16                   (A) Paragraph (4) of section 63(c) of such  
17                   Code is amended by striking “(2)(D)” each  
18                   place it appears and inserting “(2)(C)”.

19                   (B) Paragraph (7) of section 63(c) of such  
20                   Code is repealed.

21           (3) EFFECTIVE DATE.—The amendments made  
22           by this subsection shall apply to taxable years begin-  
23           ning after December 31, 2002.

24           (b) ELIMINATION OF MARRIAGE PENALTY IN 15-  
25           PERCENT BRACKET.—

1           (1) IN GENERAL.—Paragraph (8) of Section  
2           1(f) of the Internal Revenue Code of 1986 (relating  
3           to adjustments in tax tables so that inflation will not  
4           result in tax increases) is amended to read as fol-  
5           lows:

6           “(8) ELIMINATION OF MARRIAGE PENALTY IN  
7           15-PERCENT BRACKET.—

8           “(A) IN GENERAL.—With respect to tax-  
9           able years beginning after December 31, 2002,  
10          in prescribing the tables under paragraph (1)—

11           “(i) the maximum taxable income in  
12           the 15-percent rate bracket in the table  
13           contained in subsection (a) (and the min-  
14           imum taxable income in the next higher  
15           taxable income bracket in such table) shall  
16           be 200 percent of the maximum taxable in-  
17           come in the 15-percent rate bracket in the  
18           table contained in subsection (c) (after any  
19           other adjustment under this subsection),  
20           and

21           “(ii) the comparable taxable income  
22           amounts in the table contained in sub-  
23           section (d) shall be  $\frac{1}{2}$  of the amounts de-  
24           termined under clause (i).

1           “(B) ROUNDING.—If any amount deter-  
2           mined under subparagraph (A)(i) is not a mul-  
3           tiple of \$50, such amount shall be rounded to  
4           the next lowest multiple of \$50.”.

5           (2) CONFORMING AMENDMENT.—The heading  
6           for subsection (f) of section 1 of such Code is  
7           amended by striking “PHASEOUT” and inserting  
8           “ELIMINATION”.

9           (3) EFFECTIVE DATE.—The amendments made  
10          by this subsection shall apply to taxable years begin-  
11          ning after December 31, 2002.

12          (c) MARRIAGE PENALTY RELIEF FOR EARNED IN-  
13          COME CREDIT.—

14                 (1) INCREASED PHASEOUT AMOUNT.—

15                         (A) IN GENERAL.—Section 32(b)(2)(B) of  
16                         the Internal Revenue Code of 1986 (relating to  
17                         amounts) is amended by striking “increased  
18                         by—” and all that follows and inserting “in-  
19                         creased by \$3,000.”.

20                         (B) INFLATION ADJUSTMENT.—Paragraph  
21                         (1)(B)(ii) of section 32(j) of such Code (relat-  
22                         ing to inflation adjustments) is amended to  
23                         read as follows:

24                                 “(ii) in the case of the \$3,000 amount  
25                                 in subsection (b)(2)(B), by substituting

1           ‘calendar year 2003’ for ‘calendar year  
2           1992’ in subparagraph (B) of such section  
3           1.”.

4           (C) EFFECTIVE DATE.—The amendments  
5           made by this paragraph shall apply to taxable  
6           years beginning after December 31, 2002.

7           (2) EXPANSION OF MATHEMATICAL ERROR AU-  
8           THORITY.—

9           (A) IN GENERAL.—Paragraph (2) of sec-  
10          tion 6213(g) of such Code is amended by strik-  
11          ing “and” at the end of subparagraph (K), by  
12          striking the period at the end of subparagraph  
13          (L) and inserting “, and”, and by inserting  
14          after subparagraph (L) the following new sub-  
15          paragraph:

16          “(M) the entry on the return claiming the  
17          credit under section 32 with respect to a child  
18          if, according to the Federal Case Registry of  
19          Child Support Orders established under section  
20          453(h) of the Social Security Act, the taxpayer  
21          is a noncustodial parent of such child.”.

22          (B) EFFECTIVE DATE.—The amendment  
23          made by this paragraph shall take effect on  
24          January 1, 2003.

25          (d) CONFORMING AMENDMENTS.—

1           (1) REPEAL OF AMENDMENT.—Sections 303(g)  
2 of the Economic Growth and Tax Relief Reconcili-  
3 ation Act of 2001 is repealed.

4           (2) REPEAL OF SUNSET.—Title IX of the Eco-  
5 nomic Growth and Tax Relief Reconciliation Act of  
6 2001 (relating to sunset of provisions of such Act)  
7 shall not apply to sections 301, 302, and 303 (other  
8 than subsection (g) of such section 303) of such Act  
9 (relating to marriage penalty relief).

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