

110TH CONGRESS
2D SESSION

H. R. 5142

To amend the Internal Revenue Code of 1986 to provide an economic stimulus for individuals.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2008

Mr. ENGLISH of Pennsylvania 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 provide an economic stimulus for individuals.

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 “Family Economic
5 Stimulus Act of 2008”.

6 **SEC. 2. RETROACTIVE, 2-YEAR MORATORIUM ON INCLU-**
7 **SION OF UNEMPLOYMENT COMPENSATION IN**
8 **GROSS INCOME.**

9 (a) IN GENERAL.—Section 85 of the Internal Rev-
10 enue Code of 1986 (relating to unemployment compensa-

1 tion) is amended by adding at the end the following new
2 subsection:

3 “(c) MORATORIUM.—This section shall not apply to
4 any taxable year beginning in 2007 or 2008.”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 this section shall take effect on the date of the enactment
7 of this Act.

8 **SEC. 3. TEMPORARY INCREASE IN CHILD CREDIT.**

9 (a) IN GENERAL.—Subsection (a) of section 24 of the
10 Internal Revenue Code of 1986 (relating to allowance of
11 credit) is amended by inserting “(\$1,200 in the case of
12 the first taxable year beginning in 2008)” after “\$1,000”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 subsection (a) shall apply to taxable years beginning after
15 December 31, 2007.

16 **SEC. 4. 2008 STIMULUS CREDIT.**

17 (a) IN GENERAL.—Section 6428 of the Internal Rev-
18 enue Code of 1986 is amended to read as follows:

19 **“SEC. 6428. 2008 STIMULUS CREDIT.**

20 “(a) IN GENERAL.—In the case of an eligible indi-
21 vidual, there shall be allowed as a credit against the tax
22 imposed by chapter 1 for the taxpayer’s first taxable year
23 beginning in 2008 an amount equal to \$400 (\$800 in the
24 case of a joint return).

1 “(b) LIMITATION BASED ON ADJUSTED GROSS IN-
2 COME.—

3 “(1) IN GENERAL.—The amount of the credit
4 allowable under subsection (a) shall be zero if the
5 modified adjusted gross income of the taxpayer ex-
6 ceeds the threshold amount. For purposes of the
7 preceding sentence, the term ‘modified adjusted
8 gross income’ means adjusted gross income in-
9 creased by any amount excluded from gross income
10 under section 911, 931, or 933.

11 “(2) THRESHOLD AMOUNT.—For purposes of
12 paragraph (1), the term ‘threshold amount’ means—

13 “(A) \$115,000 in the case of a joint return
14 and head of household (as defined in section
15 2(b)),

16 “(B) \$75,000 in the case of an individual
17 who is not married, and

18 “(C) \$57,500 in the case of a married in-
19 dividual filing a separate return.

20 For purposes of this paragraph, marital status shall
21 be determined under section 7703.

22 “(c) CREDIT TREATED AS NONREFUNDABLE PER-
23 SONAL CREDIT.—For purposes of this title, the credit al-
24 lowed under this section shall be treated as a credit allow-

1 able under subpart A of part IV of subchapter A of chap-
2 ter 1.

3 “(d) ELIGIBLE INDIVIDUAL.—For purposes of this
4 section, the term ‘eligible individual’ means any individual
5 other than—

6 “(1) any estate or trust,

7 “(2) any nonresident alien individual, and

8 “(3) any individual with respect to whom a de-
9 duction under section 151 is allowable to another
10 taxpayer for a taxable year beginning in the cal-
11 endar year in which the individual’s taxable year be-
12 gins.

13 “(e) COORDINATION WITH ADVANCE REFUNDS OF
14 CREDIT.—

15 “(1) IN GENERAL.—The amount of credit
16 which would (but for this paragraph) be allowable
17 under this section shall be reduced (but not below
18 zero) by the aggregate refunds and credits made or
19 allowed to the taxpayer under subsection (e). Any
20 failure to so reduce the credit shall be treated as
21 arising out of a mathematical or clerical error and
22 assessed according to section 6213(b)(1).

23 “(2) JOINT RETURNS.—In the case of a refund
24 or credit made or allowed under subsection (f) with
25 respect to a joint return, half of such refund or cred-

1 it shall be treated as having been made or allowed
2 to each individual filing such return.

3 “(f) ADVANCE REFUNDS OF CREDIT BASED ON
4 PRIOR YEAR DATA.—

5 “(1) IN GENERAL.—Each individual who was
6 an eligible individual for such individual’s first tax-
7 able year beginning in 2006 shall be treated as hav-
8 ing made a payment against the tax imposed by
9 chapter 1 for such first taxable year in an amount
10 equal to the advance refund amount for such taxable
11 year.

12 “(2) ADVANCE REFUND AMOUNT.—For pur-
13 poses of paragraph (1), the advance refund amount
14 is the amount that would have been allowed as a
15 credit under this section for such first taxable year
16 if—

17 “(A) this section (other than subsections
18 (c) and (e) and this subsection) had applied to
19 such taxable year, and

20 “(B) the credit for such taxable year were
21 not allowed to exceed the excess (if any) of—

22 “(i) the sum of the regular tax liabil-
23 ity (as defined in section 26(b)) plus the
24 tax imposed by section 55, over

1 “(ii) the sum of the credits allowable
2 under part IV of subchapter A of chapter
3 1 (other than the credits allowable under
4 subpart C thereof, relating to refundable
5 credits).

6 “(3) TIMING OF PAYMENTS.—In the case of
7 any overpayment attributable to this subsection, the
8 Secretary shall, subject to the provisions of this title,
9 refund or credit such overpayment as rapidly as pos-
10 sible and, to the extent practicable, before the date
11 which is 120 days after the date of the enactment
12 of this section. No refund or credit shall be made or
13 allowed under this subsection after December 31,
14 2008.

15 “(4) NO INTEREST.—No interest shall be al-
16 lowed on any overpayment attributable to this sub-
17 section.”.

18 (b) CONFORMING AMENDMENT.—Paragraph (1) of
19 section 1(i) of such Code is amended by striking subpara-
20 graph (D).

21 (c) CLERICAL AMENDMENT.—The item relating to
22 section 6428 in the table of sections for subchapter B of
23 chapter 65 of such Code is amended to read as follows:

“Sec. 6428. 2008 stimulus credit.”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2007.

4 **SEC. 5. ALTERNATIVE EXTENDED-BENEFITS INDICATORS.**

5 (a) IN GENERAL.—For purposes of determining
6 whether there are State “on” or “off” indicators (within
7 the meaning of section 203(d) of the Federal-State Ex-
8 tended Unemployment Compensation Act of 1970 (26
9 U.S.C. 3304 note)) for any of the first 52 weeks beginning
10 on or after the date of the enactment of this Act, such
11 section 203(d) shall be applied by substituting “4” for “5”
12 each place it appears.

13 (b) DEFINITIONS.—For purposes of this section, the
14 terms “State” and “week” have the respective meanings
15 given such terms by section 205 of such Act.

16 **SEC. 6. REQUIRED DISTRIBUTION OF STATE-SPECIFIC IN-**
17 **FORMATION PACKETS.**

18 (a) IN GENERAL.—Subsection (a) of section 3304 of
19 the Internal Revenue Code of 1986 (relating to approval
20 of State laws) is amended by striking “and” at the end
21 of paragraph (18), by striking the period at the end of
22 paragraph (19) and inserting “; and”, and by inserting
23 after paragraph (19) the following new paragraph:

24 “(20) the State will distribute to unemployed
25 individuals State-specific information packets ex-

1 plaining unemployment insurance eligibility condi-
2 tions.”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 subsection (a) shall apply to certifications of States for
5 2008 and thereafter, except that section 3304(a)(20) of
6 the Internal Revenue Code of 1986, as added by sub-
7 section (a), shall not be a requirement for the State law
8 of any State prior to July 1, 2009, if the legislature of
9 such State does not meet in a regular session which closes
10 during the calendar year 2008.

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