

111TH CONGRESS
2D SESSION

H. R. 6538

To prevent pending tax increases and to permanently repeal the estate tax.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 16, 2010

Mr. MACK introduced the following bill; which was referred to the Committee
on Ways and Means

A BILL

To prevent pending tax increases and to permanently repeal
the estate 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 “Permanent Tax Relief
5 Act of 2010”.

6 **SEC. 2. EGTRRA AND JGTRRA TAX RELIEF MADE PERMA-**
7 **NENT.**

8 (a) ECONOMIC GROWTH AND TAX RELIEF REC-
9 ONCILIATION ACT OF 2001.—Title IX of the Economic
10 Growth and Tax Relief Reconciliation Act of 2001 is here-
11 by repealed.

1 (b) INCOME TAX RATES ON DIVIDENDS AND NET
2 CAPITAL GAIN.—Section 303 of the Jobs and Growth Tax
3 Relief Reconciliation Act of 2003 is hereby repealed.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall take effect on the date of the enactment
6 of this Act.

7 **SEC. 3. PERMANENT INDIVIDUAL AMT RELIEF.**

8 (a) MODIFICATION OF ALTERNATIVE MINIMUM TAX
9 EXEMPTION AMOUNT.—

10 (1) IN GENERAL.—Paragraph (1) of section
11 55(d) of the Internal Revenue Code of 1986 (relat-
12 ing to exemption amount) is amended to read as fol-
13 lows:

14 “(1) EXEMPTION AMOUNT FOR TAXPAYERS
15 OTHER THAN CORPORATIONS.—In the case of a tax-
16 payer other than a corporation, the term ‘exemption
17 amount’ means—

18 “(A) the dollar amount for taxable years
19 beginning in the calendar year as specified in
20 the table contained in paragraph (4)(A) in the
21 case of—

22 “(i) a joint return, or

23 “(ii) a surviving spouse,

24 “(B) the dollar amount for taxable years
25 beginning in the calendar year as specified in

1 the table contained in paragraph (4)(B) in the
2 case of an individual who—

3 “(i) is not a married individual, and

4 “(ii) is not a surviving spouse,

5 “(C) 50 percent of the dollar amount ap-
6 plicable under paragraph (1)(A) in the case of
7 a married individual who files a separate re-
8 turn, and

9 “(D) \$22,500 in the case of an estate or
10 trust.

11 For purposes of this paragraph, the term ‘surviving
12 spouse’ has the meaning given to such term by sec-
13 tion 2(a), and marital status shall be determined
14 under section 7703.’’.

15 (2) SPECIFIED EXEMPTION AMOUNTS.—Section
16 55(d) of such Code is amended by adding at the end
17 the following new paragraph:

18 “(4) SPECIFIED EXEMPTION AMOUNTS.—

19 “(A) TAXPAYERS DESCRIBED IN PARA-
20 GRAPH (1)(A).—For purposes of paragraph
21 (1)(A)—

“For taxable years beginning in—	The exemp- tion amount is:
2010	\$72,450
2011	\$74,450
2012	\$78,250
2013	\$81,450
2014	\$85,050

“For taxable years beginning in—	The exemp- tion amount is:
2015	\$88,650
2016	\$92,650
2017	\$96,550
2018	\$100,950
2019	\$105,150
2020	\$109,950.

1 “(B) TAXPAYERS DESCRIBED IN PARA-
2 GRAPH (1)(B).—For purposes of paragraph
3 (1)(B)—

“For taxable years beginning in—	The exemp- tion amount is:
2010	\$47,450
2011	\$48,450
2012	\$50,350
2013	\$51,950
2014	\$53,750
2015	\$55,550
2016	\$57,550
2017	\$59,500
2018	\$61,700
2019	\$63,800
2020	\$66,200.”.

4 (b) ALTERNATIVE MINIMUM TAX RELIEF FOR NON-
5 REFUNDABLE CREDITS.—

6 (1) IN GENERAL.—Subsection (a) of section 26
7 of the Internal Revenue Code of 1986 is amended to
8 read as follows:

9 “(a) LIMITATION BASED ON AMOUNT OF TAX.—The
10 aggregate amount of credits allowed by this subpart for
11 the taxable year shall not exceed the sum of—

1 “(1) the taxpayer’s regular tax liability for the
2 taxable year reduced by the foreign tax credit allow-
3 able under section 27(a), and

4 “(2) the tax imposed by section 55(a) for the
5 taxable year.”.

6 (2) CONFORMING AMENDMENTS.—

7 (A) ADOPTION CREDIT.—

8 (i) Section 23(b) of such Code, as in
9 effect on December 31, 2009, is amended
10 by striking paragraph (4).

11 (ii) Section 23(c) of such Code, as in
12 effect on December 31, 2009, is amended
13 by striking paragraphs (1) and (2) and in-
14 serting the following:

15 “(1) IN GENERAL.—If the credit allowable
16 under subsection (a) for any taxable year exceeds
17 the limitation imposed by section 26(a) for such tax-
18 able year reduced by the sum of the credits allowable
19 under this subpart (other than this section and sec-
20 tions 25D and 1400C), such excess shall be carried
21 to the succeeding taxable year and added to the
22 credit allowable under subsection (a) for such tax-
23 able year.”.

24 (iii) Section 23(c) of such Code, as in
25 effect on December 31, 2009 amended by

1 redesignating paragraph (3) as paragraph
2 (2).

3 (B) CHILD TAX CREDIT.—

4 (i) Section 24(b) of such Code is
5 amended by striking paragraph (3).

6 (ii) Section 24(d)(1) of such Code is
7 amended—

8 (I) by striking “section 26(a)(2)
9 or subsection (b)(3), as the case may
10 be,” each place it appears in subpara-
11 graphs (A) and (B) and inserting
12 “section 26(a)”, and

13 (II) by striking “section 26(a)(2)
14 or subsection (b)(3), as the case may
15 be” in the second last sentence and
16 inserting “section 26(a)”.

17 (C) CREDIT FOR INTEREST ON CERTAIN
18 HOME MORTGAGES.—Section 25(e)(1)(C) of
19 such Code is amended to read as follows:

20 “(C) APPLICABLE TAX LIMIT.—For pur-
21 poses of this paragraph, the term ‘applicable
22 tax limit’ means the limitation imposed by sec-
23 tion 26(a) for the taxable year reduced by the
24 sum of the credits allowable under this subpart

1 (other than this section and sections 23, 25D,
2 and 1400C).”.

3 (D) SAVERS’ CREDIT.—Section 25B of
4 such Code is amended by striking subsection
5 (g).

6 (E) RESIDENTIAL ENERGY EFFICIENT
7 PROPERTY.—Section 25D(c) of such Code is
8 amended to read as follows:

9 “(c) CARRYFORWARD OF UNUSED CREDIT.—If the
10 credit allowable under subsection (a) exceeds the limita-
11 tion imposed by section 26(a) for such taxable year re-
12 duced by the sum of the credits allowable under this sub-
13 part (other than this section), such excess shall be carried
14 to the succeeding taxable year and added to the credit al-
15 lowable under subsection (a) for such succeeding taxable
16 year.”.

17 (F) CERTAIN PLUG-IN ELECTRIC VEHI-
18 CLES.—Section 30(c)(2) of such Code is
19 amended to read as follows:

20 “(2) PERSONAL CREDIT.—For purposes of this
21 title, the credit allowed under subsection (a) for any
22 taxable year (determined after application of para-
23 graph (1)) shall be treated as a credit allowable
24 under subpart A for such taxable year.”.

1 (G) ALTERNATIVE MOTOR VEHICLE CRED-
2 IT.—Section 30B(g)(2) of such Code is amend-
3 ed to read as follows:

4 “(2) PERSONAL CREDIT.—For purposes of this
5 title, the credit allowed under subsection (a) for any
6 taxable year (determined after application of para-
7 graph (1)) shall be treated as a credit allowable
8 under subpart A for such taxable year.”.

9 (H) NEW QUALIFIED PLUG-IN ELECTRIC
10 VEHICLE CREDIT.—Section 30D(c)(2) of such
11 Code is amended to read as follows:

12 “(2) PERSONAL CREDIT.—For purposes of this
13 title, the credit allowed under subsection (a) for any
14 taxable year (determined after application of para-
15 graph (1)) shall be treated as a credit allowable
16 under subpart A for such taxable year.”.

17 (I) CROSS REFERENCES.—Section 55(c)(3)
18 of such Code is amended by striking “26(a),
19 30C(d)(2),” and inserting “30C(d)(2)”.

20 (J) FOREIGN TAX CREDIT.—Section 904 of
21 such Code is amended by striking subsection (i)
22 and by redesignating subsections (j), (k), and
23 (l) as subsections (i), (j), and (k), respectively.

24 (K) FIRST-TIME HOME BUYER CREDIT FOR
25 THE DISTRICT OF COLUMBIA.—Section

1 1400C(d) of such Code is amended to read as
2 follows:

3 “(d) CARRYFORWARD OF UNUSED CREDIT.—If the
4 credit allowable under subsection (a) exceeds the limita-
5 tion imposed by section 26(a) for such taxable year re-
6 duced by the sum of the credits allowable under subpart
7 A of part IV of subchapter A (other than this section and
8 section 25D), such excess shall be carried to the suc-
9 ceeding taxable year and added to the credit allowable
10 under subsection (a) for such taxable year.”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 December 31, 2009.

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