

113TH CONGRESS  
2D SESSION

# H. R. 4117

To amend the Internal Revenue Code of 1986 to expand the earned income tax credit.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 27, 2014

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

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## A BILL

To amend the Internal Revenue Code of 1986 to expand the earned income tax credit.

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 “EITC for Childless  
5 Workers Act of 2014”.

6 **SEC. 2. AGE ELIGIBILITY LOWERED TO 21.**

7 (a) IN GENERAL.—Subclause (II) section  
8 32(c)(1)(A)(ii) of the Internal Revenue Code of 1986 is  
9 amended by striking “age 25” and inserting “age 21”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2013.

4 **SEC. 3. INCREASE IN CHILDLESS EARNED INCOME TAX**  
5 **CREDIT.**

6 (a) INCREASE IN CREDIT PERCENTAGE AND PHASE-  
7 OUT PERCENTAGE.—The table under subparagraph (A) of  
8 section 32(b)(1) of the Internal Revenue Code of 1986 is  
9 amended by striking “7.65” each place it appears and in-  
10 serting “23.15”.

11 (b) INCREASE IN EARNED INCOME AMOUNT.—The  
12 table under subparagraph (A) of section 32(b)(2) of such  
13 Code is amended by striking “\$4,220” and inserting  
14 “\$6,480”.

15 (c) INCREASE IN PHASEOUT AMOUNT.—The table  
16 under subparagraph (A) of section 32(b)(2) of such Code  
17 is amended by striking “\$5,280” and inserting  
18 “\$16,630”.

19 (d) JOINT RETURNS.—Clause (i) of section  
20 32(b)(3)(B) of such Code is amended by inserting  
21 “(\$8,000 in the case of an eligible individual with no quali-  
22 fying children)” after “\$5,000”.

23 (e) INFLATION ADJUSTMENTS.—

24 (1) IN GENERAL.—Subsection (j) of section 32  
25 of such Code is amended by redesignating paragraph

1 (2) as paragraph (3) and by inserting after para-  
2 graph (1) the following new paragraph:

3 “(2) PHASEOUT AMOUNT FOR INDIVIDUALS  
4 WITH NO CHILDREN.—In the case of any taxable  
5 year beginning after calendar year 2014, the  
6 ‘\$6,480’ and ‘\$16,630’ dollar amounts in subsection  
7 (b)(2)(A) shall be increased by an amount equal  
8 to—

9 “(A) such dollar amount, multiplied by

10 “(B) the cost-of-living adjustment deter-  
11 mined under section 1(f)(3) for the calendar  
12 year in which the taxable year begins, deter-  
13 mined by substituting ‘calendar year 2013’ for  
14 ‘calendar year 1992’ in subparagraph (B)  
15 thereof.”.

16 (2) CONFORMING AMENDMENTS.—

17 (A) Section 32(j)(1) of such Code is  
18 amended by inserting “except as provided in  
19 paragraph (2)” before “each of the dollar  
20 amounts”.

21 (B) Section 32(j)(2)(A) of such Code is  
22 amended by inserting “or (2)” after “para-  
23 graph (1)”.

1 (f) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2013.

4 **SEC. 4. RESIDENTS OF NON-MIRROR CODE UNITED STATES**  
5 **POSSESSIONS ELIGIBLE FOR EARNED IN-**  
6 **COME TAX CREDIT.**

7 (a) IN GENERAL.—The Secretary of the Treasury  
8 shall pay to each possession of the United States which  
9 does not have a mirror code tax system amounts estimated  
10 by the Secretary of the Treasury as being equal to the  
11 aggregate benefits that would have been provided to resi-  
12 dents of such possession by reason of section 32 of the  
13 Internal Revenue Code of 1986 (as amended by this Act)  
14 if a mirror code tax system had been in effect in such  
15 possession. The preceding sentence shall not apply with  
16 respect to any possession of the United States unless such  
17 possession has a plan, which has been approved by the  
18 Secretary of the Treasury, under which such possession  
19 will promptly distribute such payments to the residents of  
20 such possession.

21 (b) COORDINATION WITH CREDIT ALLOWED  
22 AGAINST UNITED STATES INCOME TAX.—No credit shall  
23 be allowed against United States income taxes for any tax-  
24 able year under section 32 of such Code to any person

1 who is eligible for a payment under a plan described in  
2 subsection (a) with respect to such taxable year.

3 (c) DEFINITIONS AND SPECIAL RULE.—For pur-  
4 poses of this section—

5 (1) POSSESSION OF THE UNITED STATES.—The  
6 term “possession of the United States” includes the  
7 Commonwealth of Puerto Rico and the Common-  
8 wealth of the Northern Mariana Islands.

9 (2) MIRROR CODE TAX SYSTEM.—The term  
10 “mirror code tax system” means, with respect to any  
11 possession of the United States, the income tax sys-  
12 tem of such possession if the income tax liability of  
13 the residents of such possession under such system  
14 is determined by reference to the income tax laws of  
15 the United States as if such possession were the  
16 United States.

17 (3) TREATMENT OF PAYMENTS.—For purposes  
18 of section 1324(b)(2) of title 31, United States  
19 Code, the payments under this subsection shall be  
20 treated in the same manner as a refund due from  
21 the credit allowed under section 32 of the Internal  
22 Revenue Code of 1986.

23 (d) EFFECTIVE DATE.—This section shall apply to  
24 taxable years beginning after December 31, 2013.

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