

AMENDMENT IN THE NATURE OF A SUBSTITUTE
OFFERED BY MR. RANGEL

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Marriage Tax Penalty
3 Relief Act of 2000”.

4 **SEC. 2. MARRIAGE PENALTY RELIEF.**

5 (a) STANDARD DEDUCTION.—

6 (1) IN GENERAL.—Paragraph (2) of section
7 63(c) of the Internal Revenue Code of 1986 (relat-
8 ing to standard deduction) is amended—

9 (A) by striking “\$5,000” in subparagraph
10 (A) and inserting “twice the dollar amount in
11 effect under subparagraph (C) for the taxable
12 year”,

13 (B) by adding “or” at the end of subpara-
14 graph (B),

15 (C) by striking “in the case of” and all
16 that follows in subparagraph (C) and inserting
17 “in any other case.”, and

18 (D) by striking subparagraph (D).

19 (2) INCREASE ALLOWED AS DEDUCTION IN DE-
20 TERMINING MINIMUM TAX.—Subparagraph (E) of

1 section 56(b)(1) of such Code is amended by adding
2 at the end the following new sentence: “The pre-
3 ceding sentence shall not apply to so much of the
4 standard deduction under subparagraph (A) of sec-
5 tion 63(c)(2) as exceeds the amount which be such
6 deduction but for the amendment made by section
7 2(a)(1) of the Marriage Tax Penalty Relief Act of
8 2000.

9 (3) TECHNICAL AMENDMENTS.—

10 (A) Subparagraph (B) of section 1(f)(6) of
11 such Code is amended by striking “(other than
12 with” and all that follows through “shall be ap-
13 plied” and inserting “(other than with respect
14 to sections 63(c)(4) and 151(d)(4)(A)) shall be
15 applied”.

16 (B) Paragraph (4) of section 63(c) of such
17 Code is amended by adding at the end the fol-
18 lowing flush sentence:

19 “The preceding sentence shall not apply to the
20 amount referred to in paragraph (2)(A).”.

21 (b) EARNED INCOME CREDIT.—

22 (1) IN GENERAL.—Subsection (a) of section 32
23 of such Code (relating to credit for earned income)
24 is amended by adding at the end the following new
25 paragraph:

1 “(3) REDUCTION OF MARRIAGE PENALTY.—

2 “(A) IN GENERAL.—In the case of a joint
3 return, the phaseout amount under this section
4 shall be such amount (determined without re-
5 gard to this paragraph) increased by \$2,500
6 (\$2,000 in the case of taxable years beginning
7 during 2001).

8 “(B) INFLATION ADJUSTMENT.—In the
9 case of any taxable year beginning in a calendar
10 year after 2002, the \$2,500 amount contained
11 in subparagraph (A) shall be increased by an
12 amount equal to the product of—

13 “(i) such dollar amount, and

14 “(ii) the cost-of-living adjustment de-
15 termined under section 1(f)(3) for the cal-
16 endar year in which the taxable year be-
17 gins, determined by substituting ‘calendar
18 year 2001’ for ‘calendar year 1992’ in sub-
19 paragraph (B) thereof.

20 If any increase determined under the preceding
21 sentence is not a multiple of \$50, such increase
22 shall be rounded to the next lowest multiple of
23 \$50.”

24 (2) REPEAL OF REDUCTION OF REFUNDABLE
25 TAX CREDITS.—

1 (A) Subsection (d) of section 24 of such
2 Code is amended by striking paragraph (2) and
3 redesignating paragraph (3) as paragraph (2).

4 (B) Section 32 of such Code is amended by
5 striking subsection (h).

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to taxable years beginning after
8 December 31, 2000.

9 **SEC. 3. TAX REDUCTIONS CONTINGENT ON SOCIAL SECU-**
10 **RITY AND MEDICARE SOLVENCY CERTIFI-**
11 **CATIONS.**

12 (a) IN GENERAL.—Notwithstanding any other provi-
13 sion of this Act, no provision of this Act (or amendment
14 made thereby) shall take effect until there is—

- 15 (1) a social security certification,
16 (2) a Medicare certification, and
17 (3) a public debt elimination certification.

18 (b) DEFINITIONS.—For purposes of this
19 subsection—

20 (1) SOCIAL SECURITY SOLVENCY CERTIFI-
21 CATION.—The term ‘social security solvency certifi-
22 cation’ means a certification by the Board of Trust-
23 ees of the Social Security Trust Funds that the Fed-
24 eral Old-Age and Survivors Insurance Trust Fund

1 and the Federal Disability Insurance Trust Fund
2 are in actuarial balance until the year 2050.

3 (2) MEDICARE SOLVENCY CERTIFICATION.—

4 The term ‘Medicare solvency certification’ means a
5 certification by the Board of Trustees of the Federal
6 Hospital Insurance Trust Fund that such Trust
7 Fund is in actuarial balance until the year 2030.

8 (3) PUBLIC DEBT ELIMINATION CERTIFI-

9 CATION.—There is a public debt elimination certifi-
10 cation if the Director of the Office of Management
11 and Budget certifies that, taking into account the
12 tax reductions made by this Act and other legislation
13 enacted during calendar year 2000, the national
14 debt held by the public is projected to be eliminated
15 by the year 2013.