

## HR 5505

Individual and Small Business Tax Simplification Act of 2002

**Congress:** 107 (2001–2003, Ended)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** Oct 1, 2002

**Current Status:** Sponsor introductory remarks on measure. (CR E1722-1723)

**Latest Action:** Sponsor introductory remarks on measure. (CR E1722-1723) (Oct 2, 2002)

**Official Text:** <https://www.congress.gov/bill/107th-congress/house-bill/5505>

### Sponsor

**Name:** Rep. Houghton, Amo [R-NY-31]

**Party:** Republican • **State:** NY • **Chamber:** House

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	Oct 1, 2002

### Subjects & Policy Tags

**Policy Area:**

Taxation

### Related Bills

*No related bills are listed.*

Individual and Small Business Tax Simplification Act of 2002 - Amends the Internal Revenue Code, with respect to individuals, to: (1) increase the alternative minimum tax exemption amount and adjust it for inflation; (2) replace the head of household filing status with a new exemption for single parents; (3) allow itemizers and nonitemizers a 50 percent deduction for capital gains; (4) repeal the two percent floor on miscellaneous itemized deductions; (5) accelerate the repeal of the phaseout of the overall limitation on itemized deductions and the phaseout of the personal exemption; (6) exclude means-tested government benefits from determining support for purposes of the dependency exemption; (7) combine the Hope and Lifetime Learning credits into an education credit; and (8) revise the taxation of social security benefits, the deduction for points on a home mortgage, the taxation of minors, the dependent care credit, the additional exemption for qualifying children, and the definition of qualified higher education expenses.

Revises provisions concerning small business taxation to: (1) eliminate the S corporation filing category and permit eligible corporations that are not publicly traded to be treated as a partnership; (2) increase expensing under section 179; (3) repeal provisions concerning collapsible corporations; (4) exclude from net earnings from self-employment partnership income attributable to capital; (5) repeal the ability to elect large partnership reporting rules; and (6) revise provisions concerning the exchange of property held for productive use, the definition of qualified corporate partners for purposes of the at risk rules, payments to retiring partners, foreign currency transactions, and a limited entrepreneur with respect to farming.

### **Actions Timeline**

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- **Oct 2, 2002:** Sponsor introductory remarks on measure. (CR E1722-1723)
- **Oct 1, 2002:** Introduced in House
- **Oct 1, 2002:** Introduced in House
- **Oct 1, 2002:** Referred to the House Committee on Ways and Means.