

## HR 2046

Jobs and Growth Reconciliation Tax Act of 2003

**Congress:** 108 (2003–2005, Ended)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** May 9, 2003

**Current Status:** Referred to the House Committee on Ways and Means.

**Latest Action:** Referred to the House Committee on Ways and Means. (May 9, 2003)

**Official Text:** <https://www.congress.gov/bill/108th-congress/house-bill/2046>

### Sponsor

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**Name:** Rep. Rangel, Charles B. [D-NY-15]

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

**Cosponsors** (43 total)

<b>Cosponsor</b>	<b>Party / State</b>	<b>Role</b>	<b>Date Joined</b>
Del. Christensen, Donna M. [D-VI-At Large]	D · VI		May 9, 2003
Rep. Andrews, Robert E. [D-NJ-1]	D · NJ		May 9, 2003
Rep. Baca, Joe [D-CA-43]	D · CA		May 9, 2003
Rep. Ballance, Frank W., Jr. [D-NC-1]	D · NC		May 9, 2003
Rep. Bell, Chris [D-TX-25]	D · TX		May 9, 2003
Rep. Blumenauer, Earl [D-OR-3]	D · OR		May 9, 2003
Rep. Brown, Sherrod [D-OH-13]	D · OH		May 9, 2003
Rep. Cummings, Elijah E. [D-MD-7]	D · MD		May 9, 2003
Rep. Davis, Danny K. [D-IL-7]	D · IL		May 9, 2003
Rep. Delahunt, William D. [D-MA-10]	D · MA		May 9, 2003
Rep. DeLauro, Rosa L. [D-CT-3]	D · CT		May 9, 2003
Rep. Engel, Eliot L. [D-NY-17]	D · NY		May 9, 2003
Rep. Eshoo, Anna G. [D-CA-14]	D · CA		May 9, 2003
Rep. Etheridge, Bob [D-NC-2]	D · NC		May 9, 2003
Rep. Gutierrez, Luis V. [D-IL-4]	D · IL		May 9, 2003
Rep. Hill, Baron P. [D-IN-9]	D · IN		May 9, 2003
Rep. Holt, Rush [D-NJ-12]	D · NJ		May 9, 2003
Rep. Honda, Michael M. [D-CA-15]	D · CA		May 9, 2003
Rep. Hoyer, Steny H. [D-MD-5]	D · MD		May 9, 2003
Rep. Jones, Stephanie Tubbs [D-OH-11]	D · OH		May 9, 2003
Rep. Lantos, Tom [D-CA-12]	D · CA		May 9, 2003
Rep. Lee, Barbara [D-CA-9]	D · CA		May 9, 2003
Rep. Levin, Sander M. [D-MI-12]	D · MI		May 9, 2003
Rep. McGovern, James P. [D-MA-3]	D · MA		May 9, 2003
Rep. Menendez, Robert [D-NJ-13]	D · NJ		May 9, 2003
Rep. Michaud, Michael H. [D-ME-2]	D · ME		May 9, 2003
Rep. Millender-McDonald, Juanita [D-CA-37]	D · CA		May 9, 2003
Rep. Miller, George [D-CA-7]	D · CA		May 9, 2003
Rep. Oberstar, James L. [D-MN-8]	D · MN		May 9, 2003
Rep. Ortiz, Solomon P. [D-TX-27]	D · TX		May 9, 2003
Rep. Pallone, Frank, Jr. [D-NJ-6]	D · NJ		May 9, 2003
Rep. Pelosi, Nancy [D-CA-8]	D · CA		May 9, 2003
Rep. Price, David E. [D-NC-4]	D · NC		May 9, 2003
Rep. Rothman, Steven R. [D-NJ-9]	D · NJ		May 9, 2003
Rep. Ryan, Timothy J. [D-OH-17]	D · OH		May 9, 2003
Rep. Sabo, Martin Olav [D-MN-5]	D · MN		May 9, 2003
Rep. Sandlin, Max [D-TX-1]	D · TX		May 9, 2003
Rep. Slaughter, Louise McIntosh [D-NY-28]	D · NY		May 9, 2003
Rep. Waters, Maxine [D-CA-35]	D · CA		May 9, 2003
Rep. Waxman, Henry A. [D-CA-30]	D · CA		May 9, 2003
Rep. Meehan, Martin T. [D-MA-5]	D · MA		May 22, 2003

Cosponsor	Party / State	Role	Date Joined
Rep. Evans, Lane [D-IL-17]	D · IL		Jun 2, 2003
Rep. Van Hollen, Chris [D-MD-8]	D · MD		Jun 17, 2003

### Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	May 9, 2003

### Subjects & Policy Tags

#### Policy Area:

Taxation

### Related Bills

*No related bills are listed.*

Jobs and Growth Reconciliation Tax Act of 2003 - Amends the Internal Revenue Code to accelerate: (1) the increase in the child care credit and the increase in the refundable portion of the credit; (2) the increase in the standard deduction for joint filers to twice that of single filers; and (3) the expansion of the ten percent bracket for married taxpayers filing jointly.

Increases the earned income credit phase-out amount on a joint return by \$3,000.

Extends the work opportunity credit to long-term unemployed individuals.

Unemployment Benefits Extension Act - Amends the Temporary Extended Unemployment Compensation Act of 2002 (TEUCA) to: (1) extend the TEUC program; (2) provide for additional weeks of TEUC benefits; (3) revise unemployment rate triggers for TEUC benefit periods; and (4) provide for regular unemployment compensation for certain individuals based on part-time work or an alternative base period.

Establishes a program of payments to States to provide: (1) regular unemployment compensation benefits for individuals who otherwise would be ineligible because the base period does not count wages earned in the most recently completed calendar quarter or the individuals seek or are available for less than full-time work; and (2) enhanced unemployment benefits.

Establishes in the Treasury the Pressing Domestic Needs Trust Fund.

Increases: (1) and extends certain bonus depreciation provisions; and (2) small business expensing limits.

Allows a ten percent deduction for income attributable to a corporation's domestic production, with a 2006 through 2009 phase-in period.

Eliminates: (1) top individual income tax rate reductions scheduled to begin as of 2004 (provides for restoration under specified circumstances); and (2) scheduled elimination of income-based phase-outs for deductions and personal exemptions.

Repeals the extraterritorial income exclusion, with a 2004 through 2008 phase-in period.

Revises tax shelter provisions to, among other things: (1) define economic substance; (2) impose a penalty for the failure to include in a return information concerning a reportable transaction, a reportable transaction understatement (including imposing the penalty for certain understatements which were based on unreasonable legal or factual assumptions), a noneconomic substance transaction understatement, and interests in foreign financial accounts; (3) modify rules concerning the failure to furnish information regarding reportable transactions and the penalty for such failure, the failure to maintain lists of investors in potentially abusive tax shelters and the penalty for such failure, the authority to seek an injunction to enjoin promoters of abusive tax shelters; and (4) deny a deduction of interest on underpayments attributable to nondisclosed reportable transactions and noneconomic substance transactions.

Amends other provisions to, among other things: (1) place a limit on the transfer or importation by a corporation of built-in losses; (2) provide for the partnership treatment of certain contributed property with a built-in loss; (3) repeal part V (Financial Asset Securitization Investment Trusts) of subchapter M (Regulated Investment Companies and Real Estate Investment Trusts); and (4) modify rules concerning the disallowance of a deduction on certain debt instruments of corporations, passive foreign investment companies, and the reduction in a corporate shareholder's basis in stock by the nontaxed portion of extraordinary dividends.

Revises corporate expatriation provisions to treat acquiring corporations in "corporate expatriation transactions" as domestic corporations. Defines a "corporate expatriation transaction" as, with certain exceptions, one in which a "nominally foreign corporation" acquires substantially all of the properties held by a domestic corporation and in which, immediately after the transaction, more than 80 percent of the stock of the acquiring corporation is held by former shareholders of the domestic corporation. Lowers the 80 percent threshold to 50 percent when the acquiring "nominally foreign corporation" lacks substantial business activities in the foreign country in which it was created and organized compared to the total activities of the "expanded affiliated group" and the stock is publicly traded, with the principal market of trading being the United States. Defines the terms "nominally foreign corporation" an "expanded affiliated group." Applies similar rules to partnership transactions. Establishes that a series of related transactions relevant to the Act shall be handled as a single transaction.

Includes funded deferred compensation in the gross income of certain disqualified employees (corporate insiders).

### **Actions Timeline**

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- **May 9, 2003:** Introduced in House
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