

## S 1111

Fair Flat Tax Act of 2007

**Congress:** 110 (2007–2009, Ended)

**Chamber:** Senate

**Policy Area:** Taxation

**Introduced:** Apr 16, 2007

**Current Status:** Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S4481-4490)

**Latest Action:** Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S4481-4490)  
(Apr 16, 2007)

**Official Text:** <https://www.congress.gov/bill/110th-congress/senate-bill/1111>

### Sponsor

**Name:** Sen. Wyden, Ron [D-OR]

**Party:** Democratic • **State:** OR • **Chamber:** Senate

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Apr 16, 2007

### Subjects & Policy Tags

**Policy Area:**

Taxation

### Related Bills

*No related bills are listed.*

Fair Flat Tax Act of 2007 - Amends the Internal Revenue Code with respect to individual taxpayers to: (1) reduce to three (15, 25, and 35%) the number of income tax brackets for married and single taxpayers; (2) repeal tax rate reductions for capital gains and dividend income; (3) allow a health care standard deduction and increase the basic standard tax deduction; (4) allow a refundable tax credit for state and local income, sales, and real and personal property taxes; (5) revise the earned income and child tax credits for taxpayers with no children; (6) repeal the alternative minimum tax for individual taxpayers; and (7) repeal certain tax credits, deductions, and exclusions after 2007.

Imposes a flat tax of 35 percent on corporate taxable income. Allows a limited tax deduction for use of a corporate aircraft. Terminates certain preferential tax provisions for domestic and foreign corporations and large oil companies.

Increases or imposes new penalties for understatements of tax, failure to report tax information, and failure to file tax returns or pay tax.

Sets forth rules for the application of the economic substance doctrine to transactions with tax significance. Imposes penalties for underpayments of tax due to transactions lacking economic substance.

Denies a tax deduction for payment of punitive damages.

Terminates this Act after 2012.

### **Actions Timeline**

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- **Apr 16, 2007:** Introduced in Senate
- **Apr 16, 2007:** Sponsor introductory remarks on measure. (CR S4480-4481)
- **Apr 16, 2007:** Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S4481-4490)