

HR 4351

AMT Relief Act of 2007

Congress: 110 (2007–2009, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Dec 11, 2007

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Jan 22, 2008)

Official Text: <https://www.congress.gov/bill/110th-congress/house-bill/4351>

Sponsor

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

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

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Jan 22, 2008
Ways and Means Committee	House	Referred To	Dec 11, 2007

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
110 HRES 861	Procedurally related	Dec 12, 2007: Motion to reconsider laid on the table Agreed to without objection.

(This measure has not been amended since it was introduced. The summary has been expanded because action occurred on the measure.)

AMT Relief Act of 2007 - Title I: Individual Tax Relief - (Sec. 101) Amends the Internal Revenue Code to extend through 2007 for individual taxpayers: (1) the offset of nonrefundable personal tax credits against regular and alternative minimum tax (AMT) liability; and (2) the increased AMT exemption amounts.

(Sec. 103) Increases the AMT refundable credit amount for individual taxpayers with long-term unused tax credits in prior taxable years. Abates any underpayment of tax and related interest and penalties attributable to the application of special AMT rules for the treatment of incentive stock options.

(Sec. 104) Lowers in 2008 (from \$10,000 to \$8,500) the earned income threshold amount for determining the refundable portion of the child tax credit.

Title II: Revenue Provisions - Subtitle A: Nonqualified Deferred Compensation From Certain Tax Indifferent Parties - (Sec. 201) Requires the inclusion in gross income for income tax purposes of employee compensation deferred under a nonqualified deferred compensation plan of a nonqualified entity when there is no substantial risk of forfeiture of the rights to such compensation. Defines "nonqualified entity" as any foreign corporation unless substantially all of its income is: (1) effectively connected with a trade or business in the United States; or (2) subject to a comprehensive foreign income tax. Includes certain partnerships within such definition.

Subtitle B: Codification of Economic Substance Doctrine - (Sec. 211) Sets forth rules and definitions for the application of the economic substance doctrine to transactions affecting tax liability. Deems a transaction as having economic substance only if: (1) the transaction changes in a meaningful way (apart from federal income tax effects) the taxpayer's economic position; and (2) the taxpayer has a substantial purpose for entering into such transaction. Requires the Secretary of the Treasury to prescribe regulations on economic substance.

(Sec. 212) Imposes a penalty of 40% of any underpayment of tax attributable to nondisclosed noneconomic substance transactions. Sets forth a special rule for reductions of underpayment amounts subject to a tax penalty for corporations with gross receipts of more than \$100 million.

Subtitle C: Other Provisions - (Sec. 221) Delays until 2018 the application of special rules for the worldwide allocation of interest for purposes of computing the limitation on the foreign tax credit.

(Sec. 222) Increases the penalty for failure to file a partnership tax return and extends from five to 12 the number of months in which such penalty may be imposed.

(Sec. 223) Imposes an additional penalty on S corporations for failure to file required tax returns.

(Sec. 224) Increases the minimum penalty for failure to file an individual income tax return.

(Sec. 225) Amends the Tax Increase Prevention and Reconciliation Act of 2005 to increase the estimated tax payment due in the third quarter of 2012 for corporations with assets of at least \$1 billion.

Actions Timeline

- **Jan 22, 2008:** Read twice and referred to the Committee on Finance.
- **Dec 12, 2007:** Rule H. Res. 861 passed House.
- **Dec 12, 2007:** Considered under the provisions of rule H. Res. 861. (consideration: CR H15368-15382)
- **Dec 12, 2007:** Rule provides for consideration of H.R. 4351 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit.
- **Dec 12, 2007:** DEBATE - The House proceeded with one hour of debate on H.R. 4351.
- **Dec 12, 2007:** The previous question was ordered pursuant to the rule.
- **Dec 12, 2007:** Mr. McCrery moved to recommit with instructions to Ways and Means. (consideration: CR H15380; text: CR H15380)
- **Dec 12, 2007:** Point of order sustained against the motion to recommit with instructions.
- **Dec 12, 2007:** Mr. Neal (MA) raised a point of order against the motion to recommit with instructions. Mr. Neal stated that the provisions of the motion to recommit violate clause 10 of Rule XXI in that they increase the deficit over the requisite period. Sustained by the Chair.
- **Dec 12, 2007:** Mr. McCrery appealed the ruling of the chair.
- **Dec 12, 2007:** Mr. Neal (MA) moved to table the motion to appeal the ruling of the chair (consideration: CR H15381)
- **Dec 12, 2007:** On motion to table the motion to appeal the ruling of the chair Agreed to by the Yeas and Nays: 225 - 191 (Roll no. 1152).
- **Dec 12, 2007:** Passed/agreed to in House: On passage Passed by the Yeas and Nays: 226 - 193 (Roll no. 1153).(text: CR H15368-15371)
- **Dec 12, 2007:** On passage Passed by the Yeas and Nays: 226 - 193 (Roll no. 1153). (text: CR H15368-15371)
- **Dec 12, 2007:** Motion to reconsider laid on the table Agreed to without objection.
- **Dec 12, 2007:** Received in the Senate.
- **Dec 11, 2007:** Introduced in House
- **Dec 11, 2007:** Referred to the House Committee on Ways and Means.
- **Dec 11, 2007:** Rules Committee Resolution H. Res. 861 Reported to House. Rule provides for consideration of H.R. 4351 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit.