

S 5031

Progressive Consumption Tax Act of 2020

Congress: 116 (2019–2021, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Dec 16, 2020

Current Status: Read twice and referred to the Committee on Finance. (Sponsor introductory remarks on measure: CR S7)

Latest Action: Read twice and referred to the Committee on Finance. (Sponsor introductory remarks on measure: CR S7544-7553; text: CR S7544-7553) (Dec 16, 2020)

Official Text: <https://www.congress.gov/bill/116th-congress/senate-bill/5031>

Sponsor

Name: Sen. Cardin, Benjamin L. [D-MD]

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

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Dec 16, 2020

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

Progressive Consumption Tax Act of 2020

This bill revises the federal income tax system by, among other things, imposing a 10% consumption tax on specified supply items, including (1) the sale or provision of property; (2) the performance of services; (3) the grant, assignment, or surrender of real property; (4) the creation, grant, transfer, assignment, or surrender of any right; (5) financial supplies; and (6) entry into, or release from, an obligation or agreement to perform or refrain from performing an act. The bill specifies certain exempt supplies to which the tax does not apply.

The bill reduces to three the number of brackets for the individual income tax and reduces the income tax rate to a maximum level of 28%. It treats long-term capital gains and dividends as ordinary income.

It also provides for a family allowance based on filing status.

The bill repeals limitations on certain itemized tax deductions and restores previously repealed tax deductions, including the deductions for state and local taxes and personal casualty losses. It eliminates the alternative minimum tax.

The bill reduces the corporate income tax rate to 17%.

Actions Timeline

- **Dec 16, 2020:** Introduced in Senate
- **Dec 16, 2020:** Read twice and referred to the Committee on Finance. (Sponsor introductory remarks on measure: CR S7544-7553; text: CR S7544-7553)