

**AMENDMENT TO H.R. 3630**

**OFFERED BY MS. JACKSON LEE OF TEXAS**

Page 83, strike line 5 and all that follows through line 6 on page 91.

Page 364, after line 4, insert the following:

**1 Subtitle F—Surtax on Millionaires**

**2 SEC. 5601. SURTAX ON MILLIONAIRES.**

3 (a) IN GENERAL.—Subchapter A of chapter 1 of the  
4 Internal Revenue Code of 1986 is amended by adding at  
5 the end the following new part:

**6 “PART VIII—SURTAX ON MILLIONAIRES**

“Sec. 59B. Surtax on millionaires.

**7 “SEC. 59B. SURTAX ON MILLIONAIRES.**

8 “(a) GENERAL RULE.—In the case of a taxpayer  
9 other than a corporation for any taxable year beginning  
10 after 2012 and before 2022, there is hereby imposed (in  
11 addition to any other tax imposed by this subtitle) a tax  
12 equal to 1.9 percent of so much of the modified adjusted  
13 gross income of the taxpayer for such taxable year as ex-  
14 ceeds the threshold amount.

15 “(b) THRESHOLD AMOUNT.—For purposes of this  
16 section—

1           “(1) IN GENERAL.—The threshold amount is  
2           \$1,000,000.

3           “(2) INFLATION ADJUSTMENT.—

4           “(A) IN GENERAL.—In the case of any  
5           taxable year beginning after 2013, the  
6           \$1,000,000 amount under paragraph (1) shall  
7           be increased by an amount equal to—

8                   “(i) such dollar amount, multiplied by

9                   “(ii) the cost-of-living adjustment de-  
10                  termined under section 1(f)(3) for the cal-  
11                  endar year in which the taxable year be-  
12                  gins, determined by substituting ‘calendar  
13                  year 2011’ for ‘calendar year 1992’ in sub-  
14                  paragraph (B) thereof.

15           “(B) ROUNDING.—If any amount as ad-  
16           justed under paragraph (1) is not a multiple of  
17           \$10,000, such amount shall be rounded to the  
18           next highest multiple of \$10,000.

19           “(3) MARRIED FILING SEPARATELY.—In the  
20           case of a married individual filing separately for any  
21           taxable year, the threshold amount shall be one-half  
22           of the amount otherwise in effect under this sub-  
23           section for the taxable year.

24           “(c) MODIFIED ADJUSTED GROSS INCOME.—For  
25           purposes of this section, the term ‘modified adjusted gross

1 income' means adjusted gross income reduced by any de-  
2 duction (not taken into account in determining adjusted  
3 gross income) allowed for investment interest (as defined  
4 in section 163(d)). In the case of an estate or trust, ad-  
5 justed gross income shall be determined as provided in sec-  
6 tion 67(e).

7 “(d) SPECIAL RULES.—

8 “(1) NONRESIDENT ALIEN.—In the case of a  
9 nonresident alien individual, only amounts taken  
10 into account in connection with the tax imposed  
11 under section 871(b) shall be taken into account  
12 under this section.

13 “(2) CITIZENS AND RESIDENTS LIVING  
14 ABROAD.—The dollar amount in effect under sub-  
15 section (a) shall be decreased by the excess of—

16 “(A) the amounts excluded from the tax-  
17 payer's gross income under section 911, over

18 “(B) the amounts of any deductions or ex-  
19 clusions disallowed under section 911(d)(6)  
20 with respect to the amounts described in sub-  
21 paragraph (A).

22 “(3) CHARITABLE TRUSTS.—Subsection (a)  
23 shall not apply to a trust all the unexpired interests  
24 in which are devoted to one or more of the purposes  
25 described in section 170(c)(2)(B).

1           “(4) NOT TREATED AS TAX IMPOSED BY THIS  
2           CHAPTER FOR CERTAIN PURPOSES.—The tax im-  
3           posed under this section shall not be treated as tax  
4           imposed by this chapter for purposes of determining  
5           the amount of any credit under this chapter or for  
6           purposes of section 55.”.

7           (b) CLERICAL AMENDMENT.—The table of parts for  
8           subchapter A of chapter 1 of the Internal Revenue Code  
9           of 1986 is amended by adding at the end the following  
10          new item:

                                  “PART VIII. SURTAX ON MILLIONAIRES.”.

11          (c) SECTION 15 NOT TO APPLY.—The amendment  
12          made by subsection (a) shall not be treated as a change  
13          in a rate of tax for purposes of section 15 of the Internal  
14          Revenue Code of 1986.

15          (d) EFFECTIVE DATE.—The amendments made by  
16          this section shall apply to taxable years beginning after  
17          December 31, 2012.

