

**AMENDMENT TO THE RULES COMMITTEE PRINT
OF H.R. 3521, AS REPORTED
OFFERED BY MR. COLE OF OKLAHOMA**

Page 1, line 6, insert “**AND CANCELLATION OF TARGETED TAX BENEFITS OR ITEMS OF DIRECT SPENDING**” before the period.

Page 2, line 3, at the end insert “**AND CANCELLATION OF TARGETED TAX BENEFITS OR ITEMS OF DIRECT SPENDING**”.

Page 2, line 6, at the end insert “**AND CANCELLATION OF TARGETED TAX BENEFITS OR ITEMS OF DIRECT SPENDING**”.

Page 2, line 7, insert “**AND CANCELLATIONS**” before “**—**”.

Page 2, line 11, insert “or the cancellation of any targeted tax benefit or any item of direct spending” before the period.

Page 2, line 13, insert “or cancel any targeted tax benefit or any item of direct spending” before the comma.

Page 2, line 17, insert “AND CANCELLATIONS” before “.—”.

Page 2, line 19, insert “or cancellations” after “re-scissions” each place it appears.

Page 2, line 20, insert “or targeted tax benefits or items of direct spending” after “funding”.

Page 2, line 22, insert “or cancellation” before “in both packages”.

Page 2, line 25, insert “or cancellations” before “to the Secretary”.

Page 3, line 8, insert “or cancel any targeted tax benefit or any item of direct spending” before “under this part”.

Page 4, line 10, strike “; and” and insert a semicolon.

Page 4, after line 16, insert the following:

1 “(ix) any targeted tax benefits or any
2 items of direct spending that the President
3 proposes be cancelled; and”.

Page 4, line 17, insert “or cancellation” after “re-scission”.

Page 4, line 20, insert “or cancellations” after “re-scissions”.

Page 4, line 22, insert “or the cancellation of any targeted tax benefit or any item of direct spending” before the semicolon.

Page 6, after line 2, insert the following new subsection:

1 “(d) TEMPORARY PRESIDENTIAL AUTHORITY TO
2 SUSPEND A TARGETED TAX BENEFIT OR AN ITEM OF DI-
3 RECT SPENDING.—

4 “(1) IN GENERAL.—At the same time as the
5 President transmits to the Congress a special mes-
6 sage pursuant to section 1011(b), the President may
7 suspend the implementation of any targeted tax ben-
8 efit or any item of direct spending proposed to be
9 cancelled in that special message for a period of 45
10 calendar days of continuous session of the Congress
11 after the date on which the President transmits the
12 special message to the Congress.

13 “(2) EARLY AVAILABILITY.—The President
14 shall terminate the suspension of any targeted tax
15 benefit or any item of direct spending at a time ear-
16 lier than the time specified by the President if the
17 President determines that continuation of the sus-

1 pension would not further the purposes of this
2 part.”.

Page 6, line 3, strike “(d)” and insert “(e)”.

Page 6, line 4, insert “or targeted tax benefits or items of direct spending that are cancelled” after “rescinded”.

Page 6, line 15, insert “or cancellations” after “rescissions”.

Page 9, line 21, strike “Committee” and insert “committee”.

Page 12, line 16, insert “AND CANCELLATIONS” after “RESCISSIONS”.

Page 12, line 17, insert “and cancellations” after “rescissions”.

Page 13, line 14, insert “and cancellations” after “rescissions”.

Page 13, line 21, insert “and cancellations” after “rescissions”.

Page 13, line 23, insert “and cancellations” after “rescissions”.

Page 16, after line 23, insert the following:

1 “(10) CANCEL OR CANCELLATION.—The terms
2 ‘cancel’ or ‘cancellation’ means to prevent a targeted
3 tax benefit or item of direct spending from having
4 legal force or effect, and to make any necessary,
5 conforming statutory change to ensure that such
6 targeted tax benefit or item of direct spending is not
7 implemented and that any budgetary resources are
8 appropriately canceled.

9 “(11) TARGETED TAX BENEFIT.—(A) The term
10 ‘targeted tax benefit’ means—

11 “(i) any revenue-losing provision which
12 provides a Federal tax deduction, credit, exclu-
13 sion, or preference to 100 or fewer beneficiaries
14 under the Internal Revenue Code of in any fis-
15 cal year for which the provision is in effect; and

16 “(ii) any Federal tax provision which pro-
17 vides temporary or permanent transitional relief
18 for 10 or fewer beneficiaries in any fiscal year
19 from a change to the Internal Revenue Code of
20 1986.

21 “(B) A provision shall not be treated as de-
22 scribed in subparagraph (A)(i) if the effect of that
23 provision is that—

1 “(i) all persons in the same industry or en-
2 gaged in the same type of activity receive the
3 same treatment;

4 “(ii) all persons owning the same type of
5 property, or issuing the same type of invest-
6 ment, receive the same treatment; or

7 “(iii) any difference in the treatment of
8 persons is based solely on—

9 “(I) in the case of businesses and as-
10 sociations, the size or form of the business
11 or association involved;

12 “(II) in the case of individuals, gen-
13 eral demographic conditions, such as in-
14 come, marital status, number of depend-
15 ents, or tax return filing status;

16 “(III) the amount involved; or

17 “(IV) a generally-available election
18 under the Internal Revenue Code of 1986.

19 “(C) A provision shall not be treated as de-
20 scribed in subparagraph (A)(ii) if—

21 “(i) it provides for the retention of prior
22 law with respect to all binding contracts or
23 other legally enforceable obligations in existence
24 on a date contemporaneous with congressional
25 action specifying such date; or

1 “(ii) it is a technical correction to pre-
2 viously enacted legislation that is estimated to
3 have no revenue effect.

4 “(D) For purposes of subparagraph (A)—

5 “(i) all businesses and associations which
6 are related within the meaning of sections
7 707(b) and 1563(a) of the Internal Revenue
8 Code of 1986 shall be treated as a single bene-
9 ficiary;

10 “(ii) all qualified plans of an employer
11 shall be treated as a single beneficiary;

12 “(iii) all holders of the same bond issue
13 shall be treated as a single beneficiary; and

14 “(iv) if a corporation, partnership, associa-
15 tion, trust or estate is the beneficiary of a pro-
16 vision, the shareholders of the corporation, the
17 partners of the partnership, the members of the
18 association, or the beneficiaries of the trust or
19 estate shall not also be treated as beneficiaries
20 of such provision.

21 “(E) For purposes of this paragraph, the term
22 revenue-losing provision means any provision which
23 results in a reduction in Federal tax revenues for
24 any one of the two following periods—

1 “(i) the first fiscal year for which the pro-
2 vision is effective; or

3 “(ii) the period of the 5 fiscal years begin-
4 ning with the first fiscal year for which the pro-
5 vision is effective.

6 “(F) The terms used in this paragraph shall
7 have the same meaning as those terms have gen-
8 erally in the Internal Revenue Code of 1986, unless
9 otherwise expressly provided.

10 “(12) ITEM OF DIRECT SPENDING.—The term
11 ‘item of direct spending’ means any provision of law
12 that results in an increase in budget authority or
13 outlays for direct spending relative to the most re-
14 cent levels calculated consistent with the method-
15 ology used to calculate a baseline under section 257
16 of the Balanced Budget and Emergency Deficit Con-
17 trol Act of 1985 and included with a budget submis-
18 sion under section 1105(a) of title 31, United States
19 Code, in the first year or the 5-year period for which
20 the item is effective. However, such item does not in-
21 clude an extension or reauthorization of existing di-
22 rect spending, but instead only refers to provisions
23 of law that increase such direct spending.”.

