

AMENDMENT TO RULES COMMITTEE PRINT 115-

39

OFFERED BY MR. DANNY K. DAVIS OF ILLINOIS

Strike section 1102.

Page 81, after line 13, insert the following:

1 **SEC. 1106. ADOPTION TAX CREDIT.**

2 (a) CLARIFICATION THAT TRIBES CAN CERTIFY AS
3 A CHILD WITH SPECIAL NEEDS.—Section 23(d)(3) is
4 amended by inserting “or Tribal government” after
5 “State” both places it appears.

6 (b) CREDIT MADE REFUNDABLE.—The Internal
7 Revenue Code of 1986, as amended by section 1107, is
8 amended—

9 (1) by redesignating section 23 as section 36D;
10 and

11 (2) by moving section 36D (as so redesignated)
12 from subpart A of part IV of subchapter A of chap-
13 ter 1 to the location immediately before section 37
14 in subpart C of part IV of subchapter A of chapter
15 1.

16 (c) CONFORMING AMENDMENTS.—

1 (1) Section 25(e)(1)(C) is amended by striking
2 “sections 23, 25D, and 1400C” and inserting “sec-
3 tions 25D and 1400C”.

4 (2) Section 36D, as so redesignated, is amend-
5 ed—

6 (A) in subsection (b)(2)(A), by striking
7 “(determined without regard to subsection
8 (e))”;

9 (B) by striking subsection (c); and

10 (C) by redesignating subsections (d)
11 through (i) as subsections (e) through (h), re-
12 spectively.

13 (3) Section 137 is amended—

14 (A) in subsection (d), by striking “section
15 23(d)” and inserting “section 36D(e)”; and

16 (B) in subsection (e), by striking “sub-
17 sections (e), (f), and (g) of section 23” and in-
18 serting “subsections (d), (e), and (f) of section
19 36D”.

20 (4) Section 1016(a)(26) is amended by striking
21 “23(g)” and inserting “36D(f)”.

22 (5) Section 6211(b)(4)(A) is amended by insert-
23 ing “36D,” before “168(k)(4)”.

1 (6) The table of sections for subpart A of part
2 IV of subchapter A of chapter 1 is amended by
3 striking the item relating to section 23.

4 (7) Paragraph (2) of section 1324(b) of title
5 31, United States Code, as amended by this Act, is
6 amended by inserting “36D,” after “36C,”.

7 (8) The table of sections for subpart C of part
8 IV of subchapter A of chapter 1, as amended by this
9 Act, is amended by inserting after the item relating
10 to section 36C the following new item:

“Sec. 36D. Adoption expenses.”.

11 (d) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 the date of the enactment of this Act.

14 **SEC. 1107. ENHANCEMENT OF CHILD AND DEPENDENT**
15 **CARE TAX CREDIT.**

16 (a) IN GENERAL.—Paragraph (2) of section 21(a) is
17 amended to read as follows:

18 “(2) APPLICABLE PERCENTAGE.—For purposes
19 of paragraph (1), the term ‘applicable percentage’
20 means 50 percent reduced (but not below 20 per-
21 cent) by 1 percentage point for each \$2,000 (or frac-
22 tion thereof) by which the taxpayer’s adjusted gross
23 income for the taxable year exceeds \$120,000.”.

24 (b) INCREASE IN DOLLAR LIMIT ON AMOUNT CRED-
25 ITABLE.—Subsection (c) of section 21 is amended—

1 (1) in paragraph (1), by striking “\$3,000” and
2 inserting “\$6,000”; and

3 (2) in paragraph (2), by striking “\$6,000” and
4 inserting “\$12,000”.

5 (c) SPECIAL RULE FOR MARRIED COUPLES FILING
6 SEPARATE RETURNS.—Section 21(e)(2) is amended to
7 read as follows:

8 “(2) MARRIED COUPLES FILING SEPARATE RE-
9 TURNS.—In the case of a taxpayer that is married
10 at the close of the taxable year and files as married
11 filing separate return for such year—

12 “(A) the credit allowed by this section shall
13 be determined as if the taxpayer filed a sepa-
14 rate return for the taxable year, except that

15 “(B) the limits in subsections (a) and (c)
16 shall be applied as if the taxpayer was married,
17 except that the total amount of the credit al-
18 lowed under this section to both spouses shall
19 not exceed the amount that would be allowable
20 if both spouses filed married filing jointly.

21 The Secretary shall prescribed regulations or other
22 guidance to carry out this subsection.”.

23 (d) ADJUSTMENT FOR INFLATION.—Section 21 is
24 amended—

1 (1) by redesignating subsection (f) as sub-
2 section (g); and

3 (2) by inserting after subsection (e) the fol-
4 lowing new subsection:

5 “(f) INFLATION ADJUSTMENT.—

6 “(1) IN GENERAL.—In the case of a calendar
7 year beginning after 2018, the \$120,000 amount in
8 paragraph (2) of subsection (a) and the dollar
9 amounts in subsection (c) shall each be increased by
10 an amount equal to—

11 “(A) such dollar amount, multiplied by

12 “(B) the cost-of-living adjustment deter-
13 mined under section 1(f)(3) for the calendar
14 year in which the taxable year begins, deter-
15 mined by substituting ‘calendar year 2017’ for
16 ‘calendar year 1992’ in subparagraph (B)
17 thereof.

18 “(2) ROUNDING.—If any dollar amount, after
19 being increased under paragraph (1), is not a mul-
20 tiple of \$100, such dollar amount shall be rounded
21 to the next lowest multiple of \$100.”.

22 (e) CREDIT TO BE REFUNDABLE.—

23 (1) IN GENERAL.—The Internal Revenue Code
24 of 1986 is amended—

1 (A) by redesignating section 21 as section
2 36C; and

3 (B) by moving section 36C, as so redesign-
4 nated, from subpart A of part IV of subchapter
5 A of chapter 1 to the location immediately be-
6 fore section 37 in subpart C of part IV of sub-
7 chapter A of chapter 1.

8 (2) TECHNICAL AMENDMENTS.—

9 (A) Paragraph (1) of section 23(f) is
10 amended by striking “21(e)” and inserting
11 “36C(e)”.

12 (B) Paragraph (6) of section 35(g) is
13 amended by striking “21(e)” and inserting
14 “36C(e)”.

15 (C) Paragraph (1) of section 36C(a) (as
16 redesignated by paragraph (1)) is amended by
17 striking “this chapter” and inserting “this sub-
18 title”.

19 (D) Subparagraph (C) of section 129(a)(2)
20 is amended by striking “section 21(e)” and in-
21 serting “section 36C(e)”.

22 (E) Paragraph (2) of section 129(b) is
23 amended by striking “section 21(d)(2)” and in-
24 serting “section 36C(d)(2)”.

1 (F) Paragraph (1) of section 129(e) is
2 amended by striking “section 21(b)(2)” and in-
3 serting “section 36C(b)(2)”.

4 (G) Subsection (e) of section 213 is
5 amended by striking “section 21” and inserting
6 “section 36C”.

7 (H) Subparagraph (H) of section
8 6213(g)(2) is amended by striking “section 21”
9 and inserting “section 36C”.

10 (I) Subparagraph (L) of section
11 6213(g)(2) is amended by striking “section 21,
12 24, or 32,” and inserting “section 24, 32, or
13 36C,”.

14 (J) Paragraph (2) of section 1324(b) of
15 title 31, United States Code, is amended by in-
16 serting “36C,” after “36B,”.

17 (K) The table of sections for subpart C of
18 part IV of subchapter A of chapter 1 is amend-
19 ed by inserting after the item relating to section
20 36B the following:

“Sec. 36C. Expenses for household and dependent care services necessary for
gainful employment.”.

21 (L) The table of sections for subpart A of
22 such part IV is amended by striking the item
23 relating to section 21.

1 (f) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2017.

Strike section 1404.

Strike section 1406.

Page 447, after line 3, insert the following:

4 **TITLE VI—CORPORATE RATE IN-**
5 **CREASE TO ACHIEVE REV-**
6 **ENUE NEUTRALITY.**

7 **SEC. 6001. CORPORATE RATE INCREASE TO ACHIEVE REV-**
8 **ENUE NEUTRALITY.**

9 (a) IN GENERAL.—The rate of tax specified in sec-
10 tion 11(b)(1) of the Internal Revenue Code of 1986 (after
11 the amendment made by section 3001(a)) shall be in-
12 creased by such number of percentage points as is nec-
13 essary to fully offset the aggregate reduction in Federal
14 revenues which result from the amendments made by sec-
15 tions 1106 and 1107.

16 (b) EFFECTIVE DATE.—Subsection (a) shall apply as
17 if such provision were an amendment made by section
18 3001(a).

