

AMENDMENT TO H.R. 3746
OFFERED BY MR. LALOTA OF NEW YORK

At the end of title II of division B, add the following:

1 SEC. 252. MODIFICATION OF LIMITATION ON DEDUCTION
2 FOR STATE AND LOCAL TAXES.

3 (a) INCREASE IN LIMITATION.—

4 (1) IN GENERAL.—Section 164(b)(6)(B) of the
5 Internal Revenue Code of 1986 is amended by strik-
6 ing “\$10,000 (\$5,000 in the case of a married indi-
7 vidual filing a separate return)” and inserting
8 “\$60,000 (twice such amount in the case of a joint
9 return)”.

10 (2) INFLATION ADJUSTMENT.—Section 164 of
11 such Code is amended by redesignating subsection
12 (g) as subsection (h) and by inserting after sub-
13 section (f) the following new subsection:

14 “(g) INFLATION ADJUSTMENT.—

15 “(1) IN GENERAL.—In the case of any taxable
16 year beginning after 2023, the \$60,000 amount in
17 subsection (b)(6)(B) shall be increased by an
18 amount equal to—

19 “(A) such dollar amount, multiplied by

1 “(B) the cost-of-living adjustment deter-
2 mined under section (1)(f)(3) of the Internal
3 Revenue Code of 1986 for the calendar year in
4 which the taxable year begins by substituting
5 ‘2022’ for ‘2016’ in subparagraph (A)(ii) there-
6 of.

7 “(2) ROUNDING.—If any amount as adjusted
8 under subparagraph (A) is not a multiple of \$50,
9 such amount shall be rounded to the nearest mul-
10 tiple of \$50.”.

11 (b) EXTENSION OF LIMITATION.—Section 164(b)(6)
12 of such Code is amended—

13 (1) by striking “January 1, 2026” and insert-
14 ing “January 1, 2033”, and

15 (2) by striking “2025” in the heading and in-
16 serting “2032”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to taxable years beginning after
19 December 31, 2022.

