AMENDMENT

OFFERED BY MR. LEWIS OF GEORGIA

At the end of subtitle D of title I, insert the following new sections:

SEC. 1313. CHARITABLE CONTRIBUTIONS OF CERTAIN LITERARY, MUSICAL, OR ARTISTIC COMPOSITIONS.

(a) IN GENERAL.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

“(8) SPECIAL RULE FOR CERTAIN CONTRIBUTIONS OF LITERARY, MUSICAL, OR ARTISTIC COMPOSITIONS.—

“(A) IN GENERAL.—In the case of a qualified artistic charitable contribution—

“(i) the amount of such contribution shall be the fair market value of the property contributed (determined at the time of such contribution), and
“(ii) no reduction in the amount of such contribution shall be made under paragraph (1).

“(B) QUALIFIED ARTISTIC CHARITABLE CONTRIBUTION.—For purposes of this paragraph, the term ‘qualified artistic charitable contribution’ means a charitable contribution of any literary, musical, artistic, or scholarly composition, or similar property, or the copyright thereon (or both), but only if—

“(i) such property was created by the personal efforts of the taxpayer making such contribution no less than 18 months prior to such contribution,

“(ii) the taxpayer—

“(I) has received a qualified appraisal of the fair market value of such property in accordance with the regulations under this section, and

“(II) attaches to the taxpayer’s income tax return for the taxable year in which such contribution was made a copy of such appraisal,

“(iii) the donee is an organization described in subsection (b)(1)(A),
“(iv) the use of such property by the
donee is related to the purpose or function
constituting the basis for the donee’s ex-
emption under section 501 (or, in the case
of a governmental unit, to any purpose or
function described under subsection (e)),

“(v) the taxpayer receives from the
donee a written statement representing
that the donee’s use of the property will be
in accordance with the provisions of clause
(iv), and

“(vi) the written appraisal referred to
in clause (ii) includes evidence of the ex-
tent (if any) to which property created by
the personal efforts of the taxpayer and of
the same type as the donated property is
or has been—

“(I) owned, maintained, and dis-
played by organizations described in
subsection (b)(1)(A), and

“(II) sold to or exchanged by
persons other than the taxpayer,
donee, or any related person (as de-
fined in section 465(b)(3)(C)).
“(C) Maximum dollar limitation; no carryover of increased deduction.—The increase in the deduction under this section by reason of this paragraph for any taxable year—

“(i) shall not exceed the artistic adjusted gross income of the taxpayer for such taxable year, and

“(ii) shall not be taken into account in determining the amount which may be carried from such taxable year under subsection (d).

“(D) Artistic adjusted gross income.—For purposes of this paragraph, the term ‘artistic adjusted gross income’ means that portion of the adjusted gross income of the taxpayer for the taxable year attributable to—

“(i) income from the sale or use of property created by the personal efforts of the taxpayer which is of the same type as the donated property, and

“(ii) income from teaching, lecturing, performing, or similar activity with respect to property described in clause (i).

“(E) Paragraph not to apply to certain contributions.—Subparagraph (A) shall
not apply to any charitable contribution of any
letter, memorandum, or similar property which
was written, prepared, or produced by or for an
individual while the individual is an officer or
employee of any person (including any Govern-
ment agency or instrumentality) unless such
letter, memorandum, or similar property is en-
tirely personal.

“(F) COPYRIGHT TREATED AS SEPARATE
PROPERTY FOR PARTIAL INTEREST RULE.—In
the case of a qualified artistic charitable con-
tribution, the tangible literary, musical, artistic,
or scholarly composition, or similar property
and the copyright on such work shall be treated
as separate properties for purposes of this para-
graph and subsection (f)(3).”.

(b) EFFECTIVE DATE.—The amendment made by
this section shall apply to contributions made after the
date of the enactment of this Act in taxable years ending
after such date.

SEC. 1314. CORPORATE RATE INCREASE TO ACHIEVE REV-
ENUE NEUTRALITY.

(a) IN GENERAL.—The rate of tax specified in sec-
tion 11(b)(1) of the Internal Revenue Code of 1986 (after
the amendment made by section 3001(a)) shall be in-
increased by such number of percentage points as is necessary to fully offset the aggregate reduction in Federal revenues which result from the amendment made by section 1313.

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