

**AMENDMENT TO THE RULES COMMITTEE PRINT  
OF H.R. 7  
OFFERED BY MR. CUMMINGS OF MARYLAND**

Page 913, strike line 1 and all that follows through page 925, line 21, and insert the following:

1                   **TITLE XVI—SURTAX ON**  
2                                   **MILLIONAIRES**

3   **SEC. 16001. SURTAX ON MILLIONAIRES.**

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

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

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

9           “(a) GENERAL RULE.—In the case of a taxpayer  
10 other than a corporation, there is hereby imposed (in addi-  
11 tion to any other tax imposed by this subtitle) a tax equal  
12 to 1 percent of so much of the modified adjusted gross  
13 income of the taxpayer as exceeds \$1,000,000 (\$2,000,000  
14 in the case of any taxpayer making a joint return under  
15 section 6013).

16           “(b) MODIFIED ADJUSTED GROSS INCOME.—For  
17 purposes of this section, the term ‘modified adjusted gross  
18 income’ means adjusted gross income reduced by any de-

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

6 “(c) SPECIAL RULES.—

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

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

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

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

21 “(3) CHARITABLE TRUSTS.—Subsection (a)  
22 shall not apply to a trust all the unexpired interests  
23 in which are devoted to one or more of the purposes  
24 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:

11          “Part VIII. Surtax on millionaires.”.

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

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

