

AMENDMENT TO RULES COMMITTEE

PRINT 115-39

OFFERED BY MS. VELÁZQUEZ OF NEW YORK

At the end of the bill, add the following:

1 **TITLE VI—TAX RELIEF FOR**
2 **ARTISTS**

3 **SEC. 6001. SHORT TITLE.**

4 This title may be cited as the “Tax Relief for Artists
5 Act of 2017”.

6 **SEC. 6002. STANDARD DEDUCTION FOR THE TRADE OR**
7 **BUSINESS EXPENSES OF ARTISTS.**

8 (a) IN GENERAL.—Section 162 of the Internal Rev-
9 enue Code of 1986 is amended by redesignating subsection
10 (q) as subsection (r) and by inserting after subsection (p)
11 the following new subsection:

12 “(q) STANDARD DEDUCTION FOR TRADE OR BUSI-
13 NESS EXPENSES OF ARTISTS.—

14 “(1) IN GENERAL.—In the case of a qualified
15 taxpayer who elects the application of this subsection
16 for any taxable year, there shall be allowed as a de-
17 duction for such taxable year an amount equal to
18 the lesser of—

19 “(A) \$2,500, or

1 “(B) the gross income of the taxpayer de-
2 rived from one or more artistic trades or busi-
3 nesses carried on by the taxpayer (or, if less,
4 taxable income).

5 “(2) QUALIFIED TAXPAYER.—For purposes of
6 this subsection, the term ‘qualified taxpayer’ means
7 any taxpayer with respect to any taxable year if—

8 “(A) the taxpayer’s household income for
9 the taxable year does not exceed 250 percent of
10 the poverty line for a family of the size in-
11 volved, and

12 “(B) the taxpayer has gross income de-
13 rived from one or more artistic trades or busi-
14 nesses carried on by the taxpayer.

15 “(3) ARTISTIC TRADE OR BUSINESS.—For pur-
16 poses of this subsection, the term ‘artistic trade or
17 business’ means any trade or business in the lit-
18 erary, graphic design, film, visual, media, musical,
19 theatre, recording, or dance arts.

20 “(4) OTHER DEFINITIONS AND SPECIAL
21 RULES.—For purposes of this subsection—

22 “(A) DEFINITIONS RELATED TO HOUSE-
23 HOLD INCOME.—Terms used in paragraph
24 (2)(A) which are also used in section 36B shall

1 have the same meaning as when used in such
2 section.

3 “(B) JOINT RETURNS.—In the case of a
4 joint return, paragraph (1)(A) shall be applied
5 by substituting ‘\$5,000’ for ‘\$2,500’ if both
6 spouses would be treated as a qualified tax-
7 payer if each spouse filed a separate return.

8 “(C) DENIAL OF DOUBLE BENEFIT.—If
9 the taxpayer elects the application of this sub-
10 section for any taxable year, no deduction
11 (other than the deduction allowed under para-
12 graph (1)) shall be allowable under this chapter
13 to the taxpayer with respect to any amount
14 paid or incurred during such taxable year with
15 respect to any artistic trade or business carried
16 on by the taxpayer.

17 “(D) REGULATIONS.—The Secretary shall
18 prescribe such regulations or other guidance as
19 the Secretary determines to be necessary or ap-
20 propriate to carry out the purposes of this sub-
21 section.”.

22 (b) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to taxable years beginning after
24 the date of the enactment of this Act.

1 **SEC. 6003. CORPORATE RATE INCREASE TO ACHIEVE REV-**
2 **ENUE NEUTRALITY.**

3 (a) IN GENERAL.—The rate of tax specified in sec-
4 tion 11(b)(1) of the Internal Revenue Code of 1986 (after
5 the amendment made by section 3001 (a)) shall be in-
6 creased by such number of percentage points as is nec-
7 essary to fully offset the aggregate reduction in Federal
8 revenues which result from amendments and repeals made
9 by section 6002.

10 (b) EFFECTIVE DATE.—Subsection (a) shall apply as
11 if such provision were an amendment made by section
12 3001 (a).

