

103^D CONGRESS
2^D SESSION

H. R. 4356

To amend the Internal Revenue Code of 1986 to allow individuals who do not itemize their deductions a deduction for a portion of their charitable contributions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 5, 1994

Mr. HUFFINGTON (for himself, Mr. GINGRICH, Mr. LEACH, Mr. WALKER, Mr. NEAL of North Carolina, Mr. HERGER, Mr. EVERETT, Mr. CRAPO, Mr. POMBO, Mr. HORN, Mr. INHOFE, Mr. BOEHNER, Mr. CUNNINGHAM, Mr. LINDER, Mr. GRAMS, Mr. WALSH, Mr. JACOBS, Mr. TALENT, Mr. BAKER of California, Mr. STEARNS, Mr. HOEKSTRA, Mr. CANADY, Mr. COX, Mr. DIAZ-BALART, Mr. McKEON, Mr. DOOLEY, Mr. FRANKS of New Jersey, Mrs. VUCANOVICH, Mrs. FOWLER, Mr. GUNDERSON, Mr. HOKE, Mr. McHALE, Mr. PORTMAN, Mr. SUNDQUIST, Mr. TORKILDSEN, Mr. DICK-
EY, and Mr. HUTCHINSON) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow individuals who do not itemize their deductions a deduction for a portion of their charitable contributions, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Charitable Contribu-
3 tions Encouragement Act of 1994”.

4 **SEC. 2. DEDUCTION FOR PORTION OF CHARITABLE CON-**
5 **TRIBUTIONS TO BE ALLOWED FOR INDIVID-**
6 **UALS WHO DO NOT ITEMIZE DEDUCTIONS.**

7 (a) IN GENERAL.—Section 170 of the Internal Reve-
8 nue Code of 1986 (relating to charitable, etc., contribu-
9 tions and gifts) is amended by redesignating subsection
10 (m) as subsection (n) and by inserting after subsection
11 (l) the following new subsection:

12 “(m) DEDUCTION FOR INDIVIDUALS NOT ITEMIZING
13 DEDUCTIONS.—In the case of an individual who does not
14 itemize his deductions for the taxable year, the amount
15 allowable under subsection (a) for the taxable year shall
16 be taken into account as a direct charitable deduction
17 under section 63 to the extent such amount exceeds an
18 amount equal to 5 percent of the basic standard deduction
19 (as defined in section 63(c)) of the taxpayer for such tax-
20 able year.”

21 (b) DIRECT CHARITABLE DEDUCTION.—

22 (1) IN GENERAL.—Subsection (b) of section 63
23 of such Code is amended by striking “and” at the
24 end of paragraph (1), by striking the period at the
25 end of paragraph (2) and inserting “, and”, and by

1 adding at the end thereof the following new para-
2 graph:

3 “(3) the direct charitable deduction.”

4 (2) DEFINITION.—Section 63 of such Code is
5 amended by redesignating subsection (g) as sub-
6 section (h) and by inserting after subsection (f) the
7 following new subsection:

8 “(g) DIRECT CHARITABLE DEDUCTION.—For pur-
9 poses of this section, the term ‘direct charitable deduction’
10 means that portion of the amount allowable under section
11 170(a) which is taken as a direct charitable deduction for
12 the taxable year under section 170(m).”

13 (3) CONFORMING AMENDMENT.—Subsection (d)
14 of section 63 of such Code is amended by striking
15 “and” at the end of paragraph (1), by striking the
16 period at the end of paragraph (2) and inserting “,
17 and”, and by adding at the end thereof the following
18 new paragraph:

19 “(3) the direct charitable deduction.”

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to taxable years beginning after
22 December 31, 1994.

1 **SEC. 3. CHARITABLE CONTRIBUTION DEDUCTION NOT SUB-**
2 **JECT TO OVERALL LIMITATION ON ITEMIZED**
3 **DEDUCTIONS.**

4 (a) **IN GENERAL.**—Subsection (c) of section 68 of the
5 Internal Revenue Code of 1986 (relating to overall limita-
6 tion on itemized deductions) is amended by striking “and”
7 at the end of paragraph (2), by striking the period at the
8 end of paragraph (3) and inserting “, and”, and by adding
9 at the end thereof the following new paragraph:

10 “(4) the deduction under section 170 (relating
11 to charitable, etc., contributions and gifts).”

12 (b) **EFFECTIVE DATE.**—The amendment made by
13 subsection (a) shall apply to taxable years beginning after
14 December 31, 1994.

○