

103D CONGRESS
1ST SESSION

H. R. 554

To amend the Internal Revenue Code of 1986 to allow individuals a deduction of up to \$100 for contributions made to candidates for public office.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 21, 1993

Mr. UPTON 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 a deduction of up to \$100 for contributions made to candidates for public office.

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

3 **SECTION 1. ALLOWANCE OF DEDUCTION.**

4 (a) DEDUCTION FOR POLITICAL CONTRIBUTIONS.—

5 (1) GENERAL RULE.—Part VII of subchapter B
6 of chapter 1 of the Internal Revenue Code of 1986
7 is amended by inserting after section 217 the follow-
8 ing:

1 **“SEC. 218. CONTRIBUTIONS TO CANDIDATES FOR PUBLIC**
2 **OFFICE.**

3 “(a) ALLOWANCE OF DEDUCTION.—In the case of an
4 individual, there shall be allowed as a deduction any politi-
5 cal contribution payment of which is made by such individ-
6 ual within the taxable year.

7 “(b) LIMITATIONS.—

8 “(1) AMOUNT.—The deduction under sub-
9 section (a) shall not exceed \$100 (\$200) in the case
10 of a joint return under section 6013).

11 “(2) VERIFICATION.—The deduction under sub-
12 section (a) shall be allowed, with respect to any po-
13 litical contribution, only if such contribution is veri-
14 fied in such manner as the Secretary shall prescribe
15 by regulations.

16 “(c) DEFINITIONS.—For purposes of this section, the
17 term—

18 “(1) ‘candidate’ means, with respect to any
19 Federal, State, or local elective public office, an indi-
20 vidual who

21 “(A) publicly announces before the close of
22 the calendar year following the calendar year in
23 which the contribution or gift is made that he
24 is a candidate for nomination or election to
25 such office; and

1 “(B) meets the qualifications prescribed by
2 law to hold such office.

3 “(2) ‘local’ means a political subdivision or part
4 thereof, or 2 or more political subdivisions or parts
5 thereof, of a State;

6 “(3) ‘national political party’ means—

7 “(A) in the case of contributions made
8 during a taxable year of the taxpayer in which
9 the electors of President and Vice President are
10 chosen, a political party presenting candidates
11 or electors for such offices on the official elec-
12 tion ballot of 10 or more States, or

13 “(B) in the case of contributions made
14 during any other taxable year of the taxpayer,
15 a political party which met the qualifications
16 described in subparagraph (A) in the last pre-
17 ceding election of a President and Vice Presi-
18 dent;

19 “(4) ‘political contribution’ means a contribu-
20 tion or gift of money to—

21 “(A) an individual who is a candidate for
22 nomination or election to any Federal, State, or
23 local elective office in any primary, general, or
24 special election, for use by such individual to

1 further his candidacy for nomination or election
2 to such office;

3 “(B) any committee, association, or organi-
4 zation (whether or not incorporated) organized
5 and operated exclusively for the purpose of in-
6 fluencing, or attempting to influence, the nomi-
7 nation or election of one or more individuals
8 who are candidates for nomination or election
9 to any Federal, State, or local elective public of-
10 fice, for use by such committee, association, or
11 organization to further the candidacy of such
12 individual or individuals for nomination or elec-
13 tion to such office;

14 “(C) the national committee of a national
15 political party;

16 “(D) the State committee of a national po-
17 litical party as designated by the national com-
18 mittee of such party; or

19 “(E) a local committee or a national politi-
20 cal party as designated by the State committee
21 of such party designated under subparagraph
22 (D); and

23 “(5) ‘State’ means the various States and the
24 District of Columbia.

1 “(d) CROSS REFERENCE.—

“**For disallowance of deduction to estates and trusts, see section 642(j).**”

2 (2) CONFORMING AMENDMENT.—The table of
3 sections for part VII of subchapter B of chapter 1
4 of such Code is amended by inserting after the item
5 relating to section 217 the following:

“Sec. 218. Contribution to candidates for public office.”

6 (b) DISALLOWANCE OF DEDUCTION TO ESTATES
7 AND TRUSTS.—Section 642 of such Code is amended by
8 adding at the end the following:

9 “(j) POLITICAL CONTRIBUTIONS.—An estate or trust
10 shall not be allowed the deduction for contributions to can-
11 didates for public office provided by section 218.”

12 **SEC. 2. EFFECTIVE DATE.**

13 The amendments made by section 1 shall apply to
14 taxable years beginning after December 31, 1993.

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