

104TH CONGRESS
2D SESSION

H. R. 4301

To amend the Internal Revenue Code of 1986 to provide that elected tax collectors shall be treated as self-employed for certain purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 1996

Mr. GOODLING 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 provide that elected tax collectors shall be treated as self-employed for certain purposes.

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. TREATMENT OF ELECTED TAX COLLECTORS.**

4 (a) DEDUCTION OF EXPENSES FROM GROSS IN-
5 COME.—Paragraph (2) of section 62(a) of the Internal
6 Revenue Code of 1986 (defining adjusted gross income)
7 is amended by adding at the end the following new sub-
8 paragraph:

9 “(C) CERTAIN EXPENSES OF ELECTED
10 TAX COLLECTORS.—The deductions allowed by

1 section 162 which consist of expenses paid or
2 incurred by an elected tax collector in connec-
3 tion with the performance by him of tax collec-
4 tion services as an employee. For purposes of
5 the preceding sentence, the term ‘elected tax
6 collector’ means any individual who is elected to
7 collect county, local, and school district taxes
8 within such individual’s electoral district and
9 who, as such, is an employee.”

10 (b) ELIGIBILITY FOR KEOGH PLAN IF NOT PARTICI-
11 PATING IN PUBLIC RETIREMENT PLAN.—Paragraph (2)
12 of section 401(c) of such Code is amended by redesignat-
13 ing the subparagraph relating to income from disposition
14 of certain property as subparagraph (B) and by inserting
15 after such subparagraph the following new subparagraph:

16 “(C) INCOME OF ELECTED TAX COLLEC-
17 TORS.—For purposes of this section, in the case
18 of an elected tax collector (as defined in section
19 62(a)(2)(C)) who is not a participant (as such
20 a collector) in a retirement system of a State or
21 local government, the term ‘earned income’ in-
22 cludes the amount by which the individual’s net
23 earnings from self-employment (as defined in
24 section 1402(a)) would increase if the individual

1 were not an employee with respect to the per-
2 formance of tax collection services.”

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

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