

104TH CONGRESS
1ST SESSION

H. R. 825

To amend the Internal Revenue Code of 1986 to allow taxpayers to designate \$1 of their income tax liability and some or all of their income tax refunds, and to contribute additional amounts, for purposes of rehabilitation and treatment in combating the war on drugs.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 3, 1995

Mr. STEARNS introduced the following bill; which was referred to the Committee on Ways and Means and, in addition, to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to allow taxpayers to designate \$1 of their income tax liability and some or all of their income tax refunds, and to contribute additional amounts, for purposes of rehabilitation and treatment in combating the war on drugs.

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. DESIGNATION OF AMOUNTS FOR WAR ON**
4 **DRUGS.**

5 (a) IN GENERAL.—Subchapter A of chapter 61 of the
6 Internal Revenue Code of 1986 (relating to returns and

1 records) is amended by adding at the end thereof the fol-
2 lowing new part:

3 **“PART IX—DESIGNATION FOR WAR ON DRUGS**

“Sec. 6097. Designation.

4 **“SEC. 6097. DESIGNATION.**

5 “(a) IN GENERAL.—Every taxpayer may, with re-
6 spect to the tax imposed by chapter 1, designate that—

7 “(1) if such individual’s adjusted income tax li-
8 ability for the taxable year is \$1 or more, \$1 be paid
9 over to the Drug Rehabilitation and Treatment
10 Trust Fund,

11 “(2) a specified portion (not less than \$1) of
12 any overpayment of such tax be paid over to such
13 Trust Fund, and

14 “(3) any cash contribution which the taxpayer
15 includes with such return, be paid over to such
16 Trust Fund.

17 “(b) MANNER AND TIME OF DESIGNATION.—A des-
18 ignation under subsection (a) may be made with respect
19 to any taxable year only at the time of filing the return
20 of tax imposed by chapter 1 for such taxable year. Such
21 designation shall be made on the 1st page of the return
22 or on the page bearing the taxpayer’s signature.

23 “(c) SPECIAL RULES.—

1 “(1) DESIGNATION OF INCOME TAX LIABIL-
2 ITY.—

3 “(A) JOINT RETURNS.—In the case of a
4 joint return having an adjusted income tax li-
5 ability of \$2 or more, each spouse may des-
6 ignate that \$1 be paid over to such Trust
7 Fund.

8 “(B) ADJUSTED INCOME TAX LIABILITY.—
9 For purposes of this section, the term ‘adjusted
10 income tax liability’ means income tax liability
11 (as defined in section 6096(b)) reduced by any
12 amount designated under section 6096 (relating
13 to designation of income tax payments to Presi-
14 dential Election Campaign Fund).

15 “(2) OVERPAYMENTS TREATED AS RE-
16 FUNDED.—For purposes of this title, any portion of
17 an overpayment of tax designated under subsection
18 (a) shall be treated as being refunded to the tax-
19 payer as of the last date prescribed for filing the re-
20 turn of tax imposed by chapter 1 (determined with-
21 out regard to extensions) or, if later, the date the re-
22 turn is filed.”

23 (b) CLERICAL AMENDMENT.—The table of parts for
24 such subchapter A is amended by adding at the end there-
25 of the following new item:

 “Part IX. Designation for war on drugs.”

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

4 **SEC. 2. DRUG REHABILITATION AND TREATMENT TRUST**
5 **FUND.**

6 (a) IN GENERAL.—Subchapter A of chapter 98 of the
7 Internal Revenue Code of 1986 (relating to trust fund
8 code) is amended by adding at the end thereof the follow-
9 ing new section:

10 **“SEC. 9512. DRUG REHABILITATION AND TREATMENT**
11 **TRUST FUND.**

12 “(a) CREATION OF TRUST FUND.—There is estab-
13 lished in the Treasury of the United States a trust fund
14 to be known as the ‘Drug Rehabilitation and Treatment
15 Trust Fund’, consisting of such amounts as may be appro-
16 priated or credited to such Trust Fund as provided in this
17 section or section 9602(b).

18 “(b) TRANSFERS TO TRUST FUND.—There are here-
19 by appropriated to the Drug Rehabilitation and Treatment
20 Trust Fund amounts equivalent to the amounts des-
21 ignated under section 6097 (relating to designation for
22 war on drugs).

23 “(c) EXPENDITURES.—As provided in appropriation
24 Acts, amounts in the Drug Rehabilitation and Treatment
25 Trust Fund shall be available for allotments to the States,

1 with respect to the prevention and treatment of alcohol
2 and drug abuse, under subpart 1 of part B of title XIX
3 of the Public Health Service Act.”

4 (b) CLERICAL AMENDMENT.—The table of sections
5 for such subchapter is amended by adding at the end
6 thereof the following new item:

“Sec. 9512. Drug Rehabilitation and Treatment Trust Fund.”

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