Amendment to the Amendment in the Nature of a Substitute to Subtitle I. Budget Reconciliation Legislative Recommendations Relating to Responsibly Funding Our Priorities Offered by Mr. Rice of South Carolina

This amendment would make permanent the SALT deduction cap for millionaires and extend the increased standard deduction under the Tax Cuts and Jobs Act. (The Working Families Before the Wealthy and Well-Connected Amendment.)

AMENDMENT

OFFERED BY M_r_. R_ice_

After section 138520, insert the following:

1 **SEC. 138521. SALT DEDUCTION LIMITATION MADE PERMA-**

2 **NENT FOR CERTAIN TAXPAYERS.**

3   (a) IN GENERAL.—Section 164(b) is amended by

4 adding at the end the following new paragraph:

5   "(7) PERMANENT DEDUCTION LIMITATION FOR

6 CERTAIN TAXPAYERS.—

7   "(A) IN GENERAL.—In the case of an ap-

8   plicable taxpayer, paragraph (6) shall be ap-

9   plied—

10   "(i) in the heading, by substituting

11   'FOR TAXABLE YEARS AFTER 2017' for 'FOR

12   TAXABLE YEARS 2018 THROUGH 2025', and

13   "(ii) by substituting 'after December

14   31, 2017' for 'after December 31, 2017,

15   and before January 1, 2026'.

16   "(B) APPLICABLE TAXPAYER.—For pur-

17   poses of this paragraph, the term 'applicable

18   taxpayer' means—

19   "(i) an individual with an adjusted

20   gross income of $500,000 or greater (twice

1   such amount in the case of a joint return),

2   and

3   "(ii) a head of household with an ad-

4   justed gross income of $750,000 or great-

5   er.".

6   (b) EFFECTIVE DATE.—The amendment made by

7 this section shall apply to taxable years beginning after

8 December 31, 2025.

9 **SEC. 138522. ENHANCED STANDARD DEDUCTION EX-**

10   **TENDED.**

11   (a) IN GENERAL.—Section 63(c)(7) is amended—

12   (1) in the heading, by substituting "2030" for

13 "2025", and

14   (2) by substituting "2030" for "2026".

15   (b) EFFECTIVE DATE.—The amendment made by

16 this section shall apply to taxable years beginning after

17 December 31, 2025.

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