

105TH CONGRESS  
1ST SESSION

S. 114

To repeal the reduction in the deductible portion of expenses for business meals and entertainment.

IN THE SENATE OF THE UNITED STATES

JANUARY 21, 1997

Mr. INOUYE (for himself, Mr. THOMAS, Mr. COCHRAN, and Mr. STEVENS) introduced the following bill; which was read twice and referred to the Committee on Finance

# A BILL

To repeal the reduction in the deductible portion of expenses for business meals and entertainment.

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. REPEAL OF REDUCTION IN BUSINESS MEALS 4 AND ENTERTAINMENT TAX DEDUCTION.

5 (a) IN GENERAL.—Paragraph (1) of section 274(n)  
6 of the Internal Revenue Code of 1986 (relating to only  
7 50 percent of meal and entertainment expenses allowed  
8 as deduction) is amended by striking “50 percent” and  
9 inserting “80 percent”.

1 (b) CONFORMING AMENDMENT.—The heading for  
2 section 274(n) is amended by striking “50” and inserting  
3 “80”.

4 (c) EFFECTIVE DATE.—The amendments made by  
5 this section shall apply to taxable years beginning after  
6 December 31, 1996.

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