

105TH CONGRESS  
1ST SESSION

# S. 114

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

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IN THE SENATE OF THE UNITED STATES

JANUARY 21, 1997

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

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## 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”.

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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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