

110TH CONGRESS
2D SESSION

S. 3120

To amend the Internal Revenue Code of 1986 to increase the income limitation for qualified performing artists eligible for an above-the-line deduction for performance expenses.

IN THE SENATE OF THE UNITED STATES

JUNE 12, 2008

Mr. SCHUMER (for himself and Mrs. FEINSTEIN) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to increase the income limitation for qualified performing artists eligible for an above-the-line deduction for performance expenses.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. INCREASED INCOME LIMITATION FOR QUALI-**
2 **FIED PERFORMING ARTISTS ELIGIBLE FOR**
3 **ABOVE-THE-LINE DEDUCTION FOR PERFORM-**
4 **ANCE EXPENSES.**

5 (a) IN GENERAL.—Section 62(b) of the Internal Rev-
6 enue Code of 1986 (defining qualified performing artist)
7 is amended—

8 (1) by striking “\$16,000” in paragraph (1)(C)
9 and inserting “\$30,000”,

10 (2) by striking subparagraph (B) of paragraph
11 (3) and inserting the following new subparagraph:

12 “(B) APPLICATION OF PARAGRAPH (1).—In
13 the case of a joint return—

14 “(i) paragraph (1) shall be applied
15 separately with respect to each spouse, and

16 “(ii) paragraph (1)(C) shall be applied
17 with respect to one-half of their combined
18 adjusted gross income.”, and

19 (3) by adding at the end the following new
20 paragraph:

21 “(4) INFLATION ADJUSTMENT.—In the case of
22 any taxable year beginning in a calendar year after
23 2008, the dollar amount contained in paragraph
24 (1)(C) shall be increased by an amount equal to—

25 “(A) such dollar amount, multiplied by

1 “(B) the cost-of-living adjustment deter-
2 mined under section 1(f)(3) for the calendar
3 year in which the taxable year begins, deter-
4 mined by substituting ‘calendar year 2007’ for
5 ‘calendar year 1992’ in subparagraph (B)
6 thereof.

7 Any increase determined under the preceding sen-
8 tence shall be rounded to the nearest multiple of
9 \$50.”.

10 (b) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to taxable years beginning after
12 December 31, 2007.

