

118TH CONGRESS  
1ST SESSION

# H. R. 2684

To amend the Internal Revenue Code of 1986 to increase the limitation on capital losses and index the limitation to inflation.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 18, 2023

Mr. NORMAN (for himself, Mr. LALOTA, Mr. WEBER of Texas, Ms. MACE, and Mrs. MILLER of Illinois) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the limitation on capital losses and index the limitation to inflation.

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. SHORT TITLE.**

4 This Act may be cited as the “Capital Loss Inflation  
5 Fairness Act”.

6 **SEC. 2. INCREASED LIMITATION ON CAPITAL LOSSES.**

7 (a) IN GENERAL.—Section 1211(b) of the Internal  
8 Revenue Code of 1986 is amended to read as follows:

9 “(b) OTHER TAXPAYERS.—

1           “(1) IN GENERAL.—In the case of a taxpayer  
2 other than a corporation, losses from sales or ex-  
3 changes of capital assets shall be allowed only to the  
4 extent of the gains from such sales or exchanges,  
5 plus (if such losses exceed such gains) the lower of—

6                   “(A) \$13,000 (\$6,500 in the case of a  
7 married individual filing a separate return), or

8                   “(B) the excess of such losses over such  
9 gains.

10           “(2) INFLATION ADJUSTMENT.—In the case of  
11 any taxable year beginning in a calendar year after  
12 2023, the dollar amounts in paragraph (1)(A) shall  
13 be increased by an amount equal to—

14                   “(A) such dollar amount, multiplied by

15                   “(B) the cost-of-living adjustment under  
16 section 1(f)(3) for the calendar year in which  
17 the taxable year begins, determined by sub-  
18 stituting ‘calendar year 2022’ for ‘calendar year  
19 2016’ in subparagraph (A)(ii) thereof.”.

20           (b) EFFECTIVE DATE.—The amendment made by  
21 this section shall apply to losses in taxable years beginning  
22 after December 31, 2022.

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