

112TH CONGRESS
1ST SESSION

H. R. 2892

To amend the Internal Revenue Code of 1986 to suspend the capital gains tax for 10 years for taxpayers other than corporations.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 12, 2011

Mr. FINCHER introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to suspend the capital gains tax for 10 years for taxpayers other than corporations.

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 “Invest in America Act
5 of 2011”.

6 **SEC. 2. TEMPORARY EXCLUSION OF NET CAPITAL GAIN OF**
7 **TAXPAYERS OTHER THAN CORPORATIONS.**

8 (a) IN GENERAL.—Part I of subchapter P of chapter
9 1 of the Internal Revenue Code of 1986 (relating to treat-

1 ment of capital gains) is amended by adding at the end
2 the following new section:

3 **“SEC. 1203. TEMPORARY EXCLUSION OF NET CAPITAL GAIN**
4 **OF TAXPAYERS OTHER THAN CORPORA-**
5 **TIONS.**

6 “(a) IN GENERAL.—In the case of a taxpayer other
7 than a corporation, gross income shall not include an
8 amount equal to the net capital gain of the taxpayer for
9 the taxable year.

10 “(b) DIVIDENDS TREATED AS NET CAPITAL GAIN.—
11 For purposes of this section, the term ‘net capital gain’
12 means net capital gain (determined without regard to this
13 subsection) increased by qualified dividend income (as de-
14 fined in section 1(h)(11)).

15 “(c) APPLICATION OF SECTION.—This section shall
16 apply to taxable years beginning after December 31, 2011,
17 and before January 1, 2022.”.

18 (b) CONFORMING AMENDMENTS.—

19 (1) Subsection (h) of section 1 of such Code is
20 amended by adding at the end the following new
21 paragraph:

22 “(12) APPLICATION OF SUBSECTION SUS-
23 PENDED DURING EXCLUSION OF NET CAPITAL
24 GAIN.—This subsection shall not apply to taxable

1 years beginning after December 31, 2011, and be-
2 fore January 1, 2022.”.

3 (2) Paragraph (3) of section 55(b) of such Code
4 is amended by adding at the end the following flush
5 sentence:

6 “This paragraph shall not apply to taxable years be-
7 ginning after December 31, 2011, and before Janu-
8 ary 1, 2022.”.

9 (3) Section 1222 of such Code is amended by
10 adding at the end the following new sentence:

11 “Determinations under this section shall be made before
12 the application of section 1203.”.

13 (4) The table of sections for part I of sub-
14 chapter P of chapter 1 of such Code is amended by
15 adding at the end the following new item:

“Sec. 1203. Exclusion of net capital gain of taxpayers other than corpora-
tions.”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years beginning after
18 December 31, 2011.

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