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113TH CONGRESS
2D SESSION

S. 2789

To amend part B of the Individuals with Disabilities Education Act to provide full Federal funding of such part.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 10, 2014

Mr. HARKIN (for himself, Mr. LEAHY, Mr. DURBIN, Mrs. MURRAY, Mr. WHITEHOUSE, Mr. REED, Mr. JOHNSON of South Dakota, Mr. BENNET, Mrs. SHAHEEN, Mr. CASEY, Mr. BLUMENTHAL, Ms. WARREN, and Mrs. HAGAN) introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To amend part B of the Individuals with Disabilities Education Act to provide full Federal funding of such part.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "IDEA Full Funding Act".

SEC. 2. AMENDMENTS TO IDEA.

Section 611(i) of the Individuals with Disabilities Education Act (20 U.S.C. 1411(i)) is amended to read as follows:

"(i) FUNDING.—For the purpose of carrying out this part, other than section 619, there are authorized to be appropriated—

"(1) $12,955,841,000 for fiscal year 2015, and there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, $1,377,986,000 for fiscal year 2015, which shall become available for obligation on July 1, 2015, and shall remain available through September 30, 2016;

"(2) $14,497,834,000 for fiscal year 2016, and there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, $2,919,979,000 for fiscal year 2016, which shall become available for obligation on July 1, 2016, and shall remain available through September 30, 2017;

"(3) $16,223,354,000 for fiscal year 2017, and there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, $4,645,499,000 for fiscal year 2017, which shall become available for obligation on July 1, 2017, and shall remain available through September 30, 2018;

"(4) $18,154,243,000 for fiscal year 2018, and there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, $6,576,388,000 for fiscal year 2018, which shall be-

come available for obligation on July 1, 2018, and shall remain available through September 30, 2019;

"(5) $20,314,946,000 for fiscal year 2019, and there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, $8,737,091,000 for fiscal year 2019, which shall become available for obligation on July 1, 2019, and shall remain available through September 30, 2020;

"(6) $22,732,813,000 for fiscal year 2020, and there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, $11,154,958,000 for fiscal year 2020, which shall become available for obligation on July 1, 2020, and shall remain available through September 30, 2021;

"(7) $25,438,452,000 for fiscal year 2021, and there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, $13,860,597,000 for fiscal year 2021, which shall become available for obligation on July 1, 2021, and shall remain available through September 30, 2022;

"(8) $28,466,114,000 for fiscal year 2022, and there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, $16,888,259,000 for fiscal year 2022, which shall

become available for obligation on July 1, 2022, and shall remain available through September 30, 2023;

"(9) $31,854,127,000 for fiscal year 2023, and there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, $20,276,272,000 for fiscal year 2023, which shall become available for obligation on July 1, 2023, and shall remain available through September 30, 2024; and

"(10) $35,645,377,000 for fiscal year 2024, and there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, $24,067,522,000 for fiscal year 2024, which shall become available for obligation on July 1, 2024, and shall remain available through September 30, 2025.".

SEC. 3. FAIR SHARE TAX ON HIGH-INCOME TAXPAYERS.

(a) IN GENERAL.—Subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new part:

"PART VIII—FAIR SHARE TAX ON HIGH-INCOME TAXPAYERS

"Sec. 59B. Fair share tax.

"SEC. 59B. FAIR SHARE TAX.

"(a) GENERAL RULE.—

"(1) PHASE-IN OF TAX.—In the case of any high-income taxpayer, there is hereby imposed for a taxable year (in addition to any other tax imposed by this subtitle) a tax equal to the product of—

"(A) the amount determined under paragraph (2), and

"(B) a fraction (not to exceed 1)—

"(i) the numerator of which is the excess of—

"(I) the taxpayer's adjusted gross income, over

"(II) the dollar amount in effect under subsection (c)(1), and

"(ii) the denominator of which is the dollar amount in effect under subsection (c)(1).

"(2) AMOUNT OF TAX.—The amount of tax determined under this paragraph is an amount equal to the excess (if any) of—

"(A) the tentative fair share tax for the taxable year, over

"(B) the excess of—

"(i) the sum of—

"(I) the regular tax liability (as defined in section 26(b)) for the tax-

able year, determined without regard to any tax liability determined under this section,

"(II) the tax imposed by section 55 for the taxable year, plus

"(III) the payroll tax for the taxable year, over

"(ii) the credits allowable under part IV of subchapter A (other than sections 27(a), 31, and 34).

"(b) TENTATIVE FAIR SHARE TAX.—For purposes of this section—

"(1) IN GENERAL.—The tentative fair share tax for the taxable year is 30 percent of the excess of—

"(A) the adjusted gross income of the taxpayer, over

"(B) the modified charitable contribution deduction for the taxable year.

"(2) MODIFIED CHARITABLE CONTRIBUTION DEDUCTION.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The modified charitable contribution deduction for any taxable year is an amount equal to the amount which bears the same ratio to the deduction allowable

under section 170 (section 642(c) in the case of a trust or estate) for such taxable year as—

"(i) the amount of itemized deductions allowable under the regular tax (as defined in section 55) for such taxable year, determined after the application of section 68, bears to

"(ii) such amount, determined before the application of section 68.

"(B) TAXPAYER MUST ITEMIZE.—In the case of any individual who does not elect to itemize deductions for the taxable year, the modified charitable contribution deduction shall be zero.

"(c) HIGH-INCOME TAXPAYER.—For purposes of this section—

"(1) IN GENERAL.—The term 'high-income taxpayer' means, with respect to any taxable year, any taxpayer (other than a corporation) with an adjusted gross income for such taxable year in excess of $1,000,000 (50 percent of such amount in the case of a married individual who files a separate return).

"(2) INFLATION ADJUSTMENT.—

"(A) IN GENERAL.—In the case of a taxable year beginning after 2016, the $1,000,000

amount under paragraph (1) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2015' for 'calendar year 1992' in subparagraph (B) thereof.

"(B) ROUNDING.—If any amount as adjusted under subparagraph (A) is not a multiple of $10,000, such amount shall be rounded to the next lowest multiple of $10,000.

"(d) PAYROLL TAX.—For purposes of this section, the payroll tax for any taxable year is an amount equal to the excess of—

"(1) the taxes imposed on the taxpayer under sections 1401, 1411, 3101, 3201, and 3211(a) (to the extent such tax is attributable to the rate of tax in effect under section 3101) with respect to such taxable year or wages or compensation received during such taxable year, over

"(2) the deduction allowable under section 164(f) for such taxable year.

"(e) SPECIAL RULE FOR ESTATES AND TRUSTS.—For purposes of this section, in the case of an estate or trust, adjusted gross income shall be computed in the manner described in section 67(e).

"(f) NOT TREATED AS TAX IMPOSED BY THIS CHAPTER FOR CERTAIN PURPOSES.—The tax imposed under this section shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this chapter (other than the credit allowed under section 27(a)) or for purposes of section 55.".

(b) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"PART VIII—FAIR SHARE TAX ON HIGH-INCOME TAXPAYERS".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2015.

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