

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. CON. RES. 118

Expressing the sense of the Congress that any limitation under Federal tax law on the deductibility of compensation exceeding \$1 million paid to executives individually should be expanded to apply to compensation paid to entertainers and athletes.

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IN THE HOUSE OF REPRESENTATIVES

JULY 1, 1993

Mr. SOLOMON submitted the following concurrent resolution; which was referred to the Committee on Ways and Means

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## CONCURRENT RESOLUTION

Expressing the sense of the Congress that any limitation under Federal tax law on the deductibility of compensation exceeding \$1 million paid to executives individually should be expanded to apply to compensation paid to entertainers and athletes.

Whereas, under current Federal tax law, a taxpayer carrying on a trade or business may deduct from income a reasonable amount for compensation paid for personal services actually rendered;

Whereas the provision in the Omnibus Budget Reconciliation Act of 1993 limiting the deductibility of executive compensation applies only to the chief executive officers and the other four highest compensated officers in publically held corporations;

Whereas individuals other than chief executive officers and the other four highest compensated officers in publically held corporations, such as professional athletes and entertainers, are highly compensated;

Whereas limiting deductions for the compensation paid to corporate executives only, and not such other individuals, singles out that sector of the economy that reinvests its funds, creates new jobs, and spurs economic growth;

Whereas corporate executives are more likely than entertainers and professional athletes to invest their compensation in stocks and other economically productive investments; and

Whereas exempting compensation paid to entertainers and athletes from the limitation on deductions is incompatible with efforts to improve tax fairness and to encourage productive investment: Now, therefore, be it

1        *Resolved by the House of Representatives (the Senate*  
2 *concurring)*, That it is the sense of the Congress that any  
3 limitation under Federal tax law on the deductibility of  
4 compensation exceeding \$1 million paid to executives indi-  
5 vidually should be expanded to apply to compensation paid  
6 to entertainers and athletes.

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