

103^D CONGRESS
1ST SESSION

H. R. 1072

To amend the Internal Revenue Code of 1986 to reinstate a 10-percent domestic investment tax credit, to provide a credit for the purchase of domestic durable goods, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 23, 1993

Mr. TRAFICANT introduced the following bill; which was referred jointly to the Committees on Ways and Means and Energy and Commerce

A BILL

To amend the Internal Revenue Code of 1986 to reinstate a 10-percent domestic investment tax credit, to provide a credit for the purchase of domestic durable goods, and for other purposes.

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 “Investment for Amer-
5 ica Act”.

1 **SEC. 2. REINSTATEMENT OF 10-PERCENT DOMESTIC IN-**
2 **VESTMENT TAX CREDIT.**

3 (a) IN GENERAL.—Subpart E of part IV of sub-
4 chapter A of chapter 1 of the Internal Revenue Code of
5 1986 (relating to rules for computing credit for investment
6 in certain depreciable property), as amended by subsection
7 (b)(2), is amended by adding at the end the following new
8 section:

9 **“SEC. 50. 10-PERCENT DOMESTIC INVESTMENT CREDIT.**

10 “(a) IN GENERAL.—With respect to any domestic
11 property placed in service after December 31, 1992—

12 “(1) section 49 shall not apply, and

13 “(2) the regular percentage for purposes of this
14 subpart shall be 10 percent.

15 “(b) DOMESTIC PROPERTY.—For purposes of this
16 section—

17 “(1) IN GENERAL.—The term ‘domestic prop-
18 erty’ means property if

19 “(A) the property was completed in the
20 United States, and

21 “(B) at least 60 percent of the basis of the
22 property is attributable to value added within
23 the United States.

24 “(2) UNITED STATES.—The term ‘United
25 States’ includes the Commonwealth of Puerto Rico
26 and the possessions of the United States.”

1 (b) CONFORMING AMENDMENTS.—

2 (1) The table of sections for such subpart E is
3 amended by adding at the end the following new
4 item:

“Sec. 50. 10-percent domestic investment credit.”

5 (2) Section 11813 of the Revenue Reconcili-
6 ation Act of 1990 (Pub. L. 101–508) is hereby re-
7 pealed, and the Internal Revenue Code of 1986 shall
8 be applied and administered as if such section (and
9 the amendments made by such section) had never
10 been enacted.

11 **SEC. 3. CREDIT FOR PURCHASES OF DOMESTIC DURABLE**
12 **GOODS.**

13 (a) IN GENERAL.—Subpart A of part IV of sub-
14 chapter A of chapter 1 of the Internal Revenue Code of
15 1986 (relating to nonrefundable personal credits) is
16 amended by inserting after section 22 the following new
17 section:

18 **“SEC. 23. PURCHASES OF DOMESTIC DURABLE GOODS.**

19 “(a) GENERAL RULE.—In the case of an individual,
20 there shall be allowed as a credit against the tax imposed
21 by this chapter for the taxable year an amount equal to
22 7 percent of the aggregate amount paid during the taxable
23 year for the purchase of domestic durable goods.

24 “(b) DOMESTIC DURABLE GOODS.—For purposes of
25 this section—

1 “(1) IN GENERAL.—The term ‘domestic durable
2 good’ means any durable good if—

3 “(A) the property was completed in the
4 United States, and

5 “(B) at least 60 percent of the basis of the
6 property is attributable to value added within
7 the United States.

8 “(2) UNITED STATES.—The term ‘United
9 States’ includes the Commonwealth of Puerto Rico
10 and the possessions of the United States.

11 “(c) LIMITATION.—The amount of the credit allowed
12 under subsection (a) for any taxable year shall not exceed
13 \$1,000.”

14 (b) CONFORMING AMENDMENT.—The table of sec-
15 tions for such subpart A is amended by inserting after
16 the item relating to section 22 the following new item:

 “Sec. 23. Purchases of domestic durable goods.”

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to taxable years beginning after
19 December 31, 1992.

20 **SEC. 4. CREDIT FOR CERTAIN COSTS INCURRED IN PUR-**
21 **CHASING AN AMERICAN-MADE PASSENGER**
22 **VEHICLE.**

23 (a) IN GENERAL.—Subpart A of part IV of sub-
24 chapter A of chapter 1 of the Internal Revenue Code of
25 1986 (relating to nonrefundable personal credits) is

1 amended by inserting after section 23 (as added by section
2 3 of this Act) the following new section:

3 **“SEC. 24. CERTAIN COSTS INCURRED IN PURCHASING AN**
4 **AMERICAN-MADE PASSENGER VEHICLE.**

5 “(a) IN GENERAL.—In the case of an individual,
6 there shall be allowed as a credit against the tax imposed
7 by this chapter for the taxable year an amount equal to
8 the qualified payments made by the taxpayer during such
9 year.

10 “(b) QUALIFIED PAYMENTS.—For purposes of this
11 section, the term ‘qualified payments’ means any payment
12 of—

13 “(1) any State or local sales tax imposed on the
14 purchase by the taxpayer of any qualified auto-
15 mobile, and

16 “(2) any interest on any loan which is secured
17 by a qualified automobile and which was incurred by
18 the taxpayer to purchase such automobile.

19 “(c) QUALIFIED AUTOMOBILE.—For purposes of this
20 section, the term ‘qualified automobile’ means any auto-
21 mobile (as defined in section 4064(b))—

22 “(1) which is purchased after December 31,
23 1992,

24 “(2) which is domestically produced,

1 “(3) the original use of which begins with the
2 taxpayer, and

3 “(4) substantially all of the use of which is for
4 personal, nonbusiness purposes.

5 For purposes of the preceding sentence, an automobile is
6 domestically produced if more than 60 percent of the auto-
7 mobile is produced in the United States and its final as-
8 sembly occurs in the United States.

9 “(d) DENIAL OF DOUBLE BENEFIT.—No deduction
10 or credit shall be allowed under any other provision of this
11 title for any payment for which a credit is allowable under
12 this section.”

13 (b) CLERICAL AMENDMENT.—The table of sections
14 for such subpart A is amended by inserting after the item
15 relating to section 23 the following new item:

 “Sec. 24. Certain costs incurred in purchasing an American-made
 passenger vehicle.”

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years ending after the
18 date of the enactment of this Act.

19 **SEC. 5. PLACEMENT OF MADE IN AMERICA LABELS ON**
20 **PRODUCTS.**

21 (a) REQUIREMENTS FOR USE OF LABELS.—No prod-
22 uct may bear a label which states or suggests that the
23 product was made in America unless—

1 (1) the product has been registered with the
2 Department of Commerce under subsection (b); and

3 (2) the Secretary of Commerce has determined
4 that—

5 (A) 60 percent of the product was manu-
6 factured in the United States; and

7 (B) final assembly of the product took
8 place in the United States.

9 (b) REGISTRY OF AMERICAN-MADE PRODUCTS.—

10 Not later than 12 months after the Secretary has promul-
11 gated regulations regarding the registration of products
12 with the Department of Commerce under this section, a
13 person shall register with the Department of Commerce
14 any product on which there is or will be affixed a label
15 which states or suggests that the product was made in
16 America.

17 (c) PENALTIES FOR FRAUDULENT USE OF LA-
18 BELS.—

19 (1) CIVIL FINE.—Any person who, with an in-
20 tent to defraud or mislead, places on a product a
21 label which states or suggests that the product was
22 “made in America” in violation of this section may
23 be assessed a civil penalty by the Secretary of not
24 more than \$100,000. The Secretary may issue an
25 order assessing such civil penalty only after notice

1 and an opportunity for an agency hearing on the
2 record. The validity of such order may not be re-
3 viewed in an action to collect such civil penalty.

4 (2) INJUNCTIVE RELIEF.—The Secretary may
5 bring an action to enjoin the violation of, or to com-
6 pel compliance with, this section, whenever the Sec-
7 retary believes that such a violation has occurred or
8 is about to occur.

9 (d) REGULATIONS.—Not later than 12 months after
10 the date of the enactment of this Act, the Secretary shall
11 promulgate regulations establishing procedures under
12 which a person shall register a product under this section.

13 (e) DEFINITIONS.—For purposes of this section:

14 (1) LABEL.—The term “label” means any writ-
15 ten, printed, or graphic matter on, or attached to,
16 a product or any of its containers or wrappers.

17 (2) SECRETARY.—The term “Secretary” means
18 the Secretary of Commerce.

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