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111TH CONGRESS
1ST SESSION

H. R. 536

To amend the Internal Revenue Code of 1986 to strengthen the earned income tax credit.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 14, 2009

Mr. PASCRELL (for himself and Mr. BOREN) 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 strengthen the earned income tax credit.

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 ''Strengthen the Earned Income Tax Credit Act of 2009''.

SEC. 2. STRENGTHEN THE EARNED INCOME TAX CREDIT.

(a) REDUCTION IN MARRIAGE PENALTY.—

(1) IN GENERAL.—Section 32(b)(2)(B) of the Internal Revenue Code of 1986 (relating to joint returns) is amended—

(A) in clause (iii) by striking "after 2007." and inserting "in 2008,", and

(B) by inserting after clause (iii) the following new clauses:

"(iv) $3,500 in the case of taxable years beginning in 2009,

"(v) $4,000 in the case of taxable years beginning in 2010,

"(vi) $4,500 in the case of taxable years beginning in 2011, and

"(vii) $5,000 in the case of taxable years beginning after 2012.".

(2) INFLATION ADJUSTMENT.—Section 32(j)(1)(B)(ii) of such Code is amended—

(A) by striking "$3,000 amount in subsection (b)(2)(B)(iii)" and inserting "$5,000 amount in subsection (b)(2)(B)(vii)", and

(B) by striking "2007" and inserting "2010".

(3) PROVISIONS NOT SUBJECT TO SUNSET.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to sunset provisions of such Act) shall not apply to section 303(a) of such Act.

(b) INCREASE IN CREDIT PERCENTAGE FOR FAMILIES WITH 3 OR MORE CHILDREN.—The table contained in section 32(b)(1)(A) of such Code (relating to percentages) is amended—

(1) by striking ''2 or more qualifying children'' in the second row and inserting ''2 qualifying children'', and

(2) by inserting after the second row the following new item:

''3 or more qualifying children	45	21.06''.

(c) CREDIT INCREASE AND REDUCTION IN PHASEOUT FOR INDIVIDUALS WITH NO CHILDREN.—The table contained in section 32(b)(1)(A) of such Code is amended—

(1) by striking ''7.65'' in the second column of the third row and inserting ''15.3'', and

(2) by striking ''7.65'' in the third column of the third row and inserting ''15.3''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

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