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Calendar No. 250

113TH CONGRESS
1ST SESSION

S. 1737

To provide for an increase in the Federal minimum wage and to amend the Internal Revenue Code of 1986 to extend increased expensing limitations and the treatment of certain real property as section 179 property.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 19, 2013

Mr. HARKIN (for himself and Mr. REID) introduced the following bill; which was read the first time

NOVEMBER 20, 2013

Read the second time and placed on the calendar

A BILL

To provide for an increase in the Federal minimum wage and to amend the Internal Revenue Code of 1986 to extend increased expensing limitations and the treatment of certain real property as section 179 property.

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 ''Minimum Wage Fairness Act''.

SEC. 2. MINIMUM WAGE INCREASES.

(a) MINIMUM WAGE.—

(1) IN GENERAL.—Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) except as otherwise provided in this section, not less than—

"(A) $8.20 an hour, beginning on the first day of the sixth month that begins after the date of enactment of the Minimum Wage Fairness Act;

"(B) $9.15 an hour, beginning 1 year after that first day;

"(C) $10.10 an hour, beginning 2 years after that first day; and

"(D) beginning on the date that is 3 years after that first day, and annually thereafter, the amount determined by the Secretary pursuant to subsection (h);".

(2) DETERMINATION BASED ON INCREASE IN THE CONSUMER PRICE INDEX.—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended by adding at the end the following:

"(h)(1) Each year, by not later than the date that is 90 days before a new minimum wage determined under subsection (a)(1)(D) is to take effect, the Secretary shall

determine the minimum wage to be in effect pursuant to this subsection for the subsequent 1-year period. The wage determined pursuant to this subsection for a year shall be—

"(A) not less than the amount in effect under subsection (a)(1) on the date of such determination;

"(B) increased from such amount by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (United States city average, all items, not seasonally adjusted), or its successor publication, as determined by the Bureau of Labor Statistics; and

"(C) rounded to the nearest multiple of $0.05.

"(2) In calculating the annual percentage increase in the Consumer Price Index for purposes of paragraph (1)(B), the Secretary shall compare such Consumer Price Index for the most recent month, quarter, or year available (as selected by the Secretary prior to the first year for which a minimum wage is in effect pursuant to this subsection) with the Consumer Price Index for the same month in the preceding year, the same quarter in the preceding year, or the preceding year, respectively.".

(b) BASE MINIMUM WAGE FOR TIPPED EMPLOYEES.—Section 3(m)(1) of the Fair Labor Standards Act

of 1938 (29 U.S.C. 203(m)(1)) is amended to read as follows:

"(1) the cash wage paid such employee, which for purposes of such determination shall be not less than—

"(A) for the 1-year period beginning on the first day of the sixth month that begins after the date of enactment of the Minimum Wage Fairness Act, $3.00 an hour;

"(B) for each succeeding 1-year period until the hourly wage under this paragraph equals 70 percent of the wage in effect under section 6(a)(1) for such period, an hourly wage equal to the amount determined under this paragraph for the preceding year, increased by the lesser of—

"(i) $0.95; or

"(ii) the amount necessary for the wage in effect under this paragraph to equal 70 percent of the wage in effect under section 6(a)(1) for such period, rounded to the nearest multiple of $0.05; and

"(C) for each succeeding 1-year period after the year in which the hourly wage under

this paragraph first equals 70 percent of the wage in effect under section 6(a)(1) for the same period, the amount necessary to ensure that the wage in effect under this paragraph remains equal to 70 percent of the wage in effect under section 6(a)(1), rounded to the nearest multiple of $0.05; and''.

(c) PUBLICATION OF NOTICE.—Section 6 of the Fair Labor Standards Act of 1938 (as amended by subsection (a)) (29 U.S.C. 206) is further amended by adding at the end the following:

''(i) Not later than 60 days prior to the effective date of any increase in the minimum wage determined under subsection (h) or required for tipped employees in accordance with subparagraph (B) or (C) of section 3(m)(1), as amended by the Minimum Wage Fairness Act, the Secretary shall publish in the Federal Register and on the website of the Department of Labor a notice announcing the adjusted required wage.''.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the first day of the sixth month that begins after the date of enactment of this Act.

SEC. 3. EXTENSION OF INCREASED EXPENSING LIMITATIONS AND TREATMENT OF CERTAIN REAL PROPERTY AS SECTION 179 PROPERTY.

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Section 179(b)(1) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''in 2010, 2011, 2012, or 2013'' in subparagraph (B) and inserting ''after 2009 and before 2017'', and

(B) by striking ''2013'' in subparagraph (C) and inserting ''2016''.

(2) REDUCTION IN LIMITATION.—Section 179(b)(2) of such Code is amended—

(A) by striking ''in 2010, 2011, 2012, or 2013'' in subparagraph (B) and inserting ''after 2009 and before 2017'', and

(B) by striking ''2013'' in subparagraph (C) and inserting ''2016''.

(b) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) of the Internal Revenue Code of 1986 is amended by striking ''2014'' and inserting ''2017''.

(c) ELECTION.—Section 179(c)(2) of the Internal Revenue Code of 1986 is amended by striking ''2014'' and inserting ''2017''.

(d) SPECIAL RULES FOR TREATMENT OF QUALIFIED REAL PROPERTY.—

(1) IN GENERAL.—Section 179(f)(1) of the Internal Revenue Code of 1986 is amended by striking ''in 2010, 2011, 2012, or 2013'' and inserting ''after 2009 and before 2017''.

(2) CARRYOVER LIMITATION.—

(A) IN GENERAL.—Section 179(f)(4) of such Code is amended by striking ''2013'' each place it appears and inserting ''2016''.

(B) CONFORMING AMENDMENT.—The heading of subparagraph (C) of section 179(f)(4) of such Code is amended by striking ''2010, 2011 AND 2012'' and inserting ''YEARS BEFORE 2016''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

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November 20, 2013

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