Ms. LANDRIEU submitted an amendment to be proposed by her to the bill, S. 1429, supra, at page 180 line 22.

At the request of Mr. REID, the names of Mr. COVERDELL, and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of Senate Resolution 99, a resolution designating November 20, 1999, as “National Survivors for Prevention of Suicide Day.”

At the request of Mr. HAGEL his name was added as a cosponsor of amendment No. 1398 proposed to S. 1429, an original bill to provide for reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2000.

At the request of Mr. ABRAHAM the names of the Senator from Washington (Ms. COLLINS), and the Senator from Ohio (Mr. VOINOVICH) were added as co-sponsors of amendment No. 1398 proposed to S. 1429, supra.

At the request of Mr. COVERDELL, and the Senator from Ohio (Mr. VOINOVICH) were added as co-sponsors of amendment No. 1398 proposed to S. 1429, supra.

At the request of Mr. GORTON, the Senator from Maine (Ms. COWAN), the Senator from Washington (Ms. LANDRIEU), the Senator from Iowa (Mr. STEFFENSON), the Senator from New York (Ms. HARKIN), and the Senator from Virginia (Mr. VALENTINO) were added as co-sponsors of amendment No. 1403 proposed to S. 1429, supra.

Ms. LANDRIEU submitted an amendment to be proposed by her to the bill, S. 1429, supra, at page 180 line 22.

At page 180, line 18 before the period insert the following new phrase: “and passengers permitted to utilize otherwise empty seats on aircraft.”

At page 180, between lines 21 and 22 insert the following new subsection:
“(b) the flight on which the transportation is provided would have been made whether or not such person was transported on the flight, and”

“C) no substantial additional cost is incurred in providing such transportation to such person.

For purposes of this paragraph, an aircraft is noncommercially operated if transportation thereon is not provided or made available to the general public by purchase of a ticket or other fare.

At page 180 line 22 strike “(b)” and insert in lieu thereof “(c)”.

TITLES

TIE-BREAKER AND OTHERS

AMENDMENT NO. 1405

Mr. GRAMM, for himself, Mr. LOTT, Mr. NICKLES, Mr. MACK, Mr. COVERDELL, Mr. CRAIG, Mr. MCCONNELL, Mr. KENNEDY, Mrs. HUTCHINSON, Mr. BUNNING, Mr. KYL, Mr. SMITH of New Hampshire, Mr. ALLARD, and Mr. HAGEL) proposed an amendment to the bill, S. 1429, supra; as follows:

At the request of Mr. ABRAMSON the names of the Senator from Arizona (Mr. STEFFENSON), the Senator from Michigan (Mr. NICKLES), Mr. NICKLES, Mr. MACK, Mr. COVERDELL, Mr. CRAIG, Mr. MCCONNELL, Mr. KENNEDY, Mrs. HUTCHINSON, Mr. BUNNING, Mr. KYL, Mr. SMITH of New Hampshire, Mr. ALLARD, and Mr. HAGEL) proposed an amendment to the bill, S. 1429, supra; as follows:

At the request of Mr. HAGEL his name was added as a cosponsor of amendment No. 1398 proposed to S. 1429, an original bill to provide for reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2000.

At the request of Mr. ABRAHAM the names of the Senator from Washington (Ms. COWAN), the Senator from Ohio (Mr. VOINOVICH) were added as co-sponsors of amendment No. 1398 proposed to S. 1429, supra.

At the request of Mr. COVERDELL, and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of Senate Resolution 99, a resolution designating November 20, 1999, as “National Survivors for Prevention of Suicide Day.”

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At the request of Mr. ABRAHAM the names of the Senator from Washington (Ms. COWAN), the Senator from Ohio (Mr. VOINOVICH) were added as co-sponsors of amendment No. 1398 proposed to S. 1429, supra.

At the request of Mr. GORTON, the Senator from Maine (Ms. COWAN), the Senator from Washington (Ms. LANDRIEU), the Senator from Iowa (Mr. STEFFENSON), the Senator from New York (Ms. HARKIN), and the Senator from Virginia (Mr. VALENTINO) were added as co-sponsors of amendment No. 1403 proposed to S. 1429, supra.

At page 180, line 18 before the period insert the following new phrase: “and passengers permitted to utilize otherwise empty seats on aircraft.”

At page 180, between lines 21 and 22 insert the following new subsection:
“(b) the flight on which the transportation is provided would have been made whether or not such person was transported on the flight, and”

“C) no substantial additional cost is incurred in providing such transportation to such person.

For purposes of this paragraph, an aircraft is noncommercially operated if transportation thereon is not provided or made available to the general public by purchase of a ticket or other fare.

At page 180 line 22 strike “(b)” and insert in lieu thereof “(c)”.

LANDRIEU AMENDMENT NO. 1404

(Ordered to lie on the table)

Mr. LANDRIEU submitted an amendment to be proposed by her to the bill (S. 1429) to provide for reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2000; as follows:

At page 180 line 22 strike “(b)” and insert in lieu thereof “(c)”.

LANDRIEU AMENDMENT NO. 1404

(Ordered to lie on the table)
TITLE II—MARRIAGE TAX PENALTY ELIMINATION

SEC. 201. MARRIAGE TAX PENALTY ELIMINATION.

(a) In General.—Subpart B of part II of subchapter A of chapter 61 (relating to income returns) is amended by inserting after section 6013 the following new section: "SEC. 6013A. COMBINED RETURN WITH SEPARATE RATES.

‘‘(a) General Rule.—A husband and wife may make a combined return of income taxes under subchapter A under which—

‘‘(1) a separate taxable income is determined for each spouse by applying the rules provided in this section, and

‘‘(2) the tax imposed by section 1 is the aggregate amount resulting from applying the separate rates set forth in section 1(c) to each such taxable income.

‘‘(b) Determination of Taxable Income.—

‘‘(1) In General.—For purposes of subsection (a), the taxable income for each spouse shall be one-half of the taxable income computed as if the spouses were filing a joint return.

‘‘(2) Nonitemizers.—For purposes of paragraph (1), if an election is made not to itemize deductions for any taxable year, the basic standard deduction shall be equal to the amount which is twice the basic standard deduction under section 63(c)(2)(C) for the taxable year.

‘‘(c) Treatment of Credits.—Credits shall be determined (and applied against the joint liability of the couple for tax) as if the spouses had filed a joint return.

‘‘(d) Treatment as Joint Return.—Except as otherwise provided in this section or in the regulations prescribed hereunder, for purposes of this title (other than sections 1 and 63(c)(2)(C)) a joint return under this section shall be treated as a joint return.

‘‘(e) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this section.’’

(b) Minimum Tax Rates.—Subparagraph (A) of section 55(b)(1) is amended by adding at the end the following:

‘‘(iv) Rate Reduction.—In the case of taxable years beginning after 2000, each rate in clause (i) (without regard to this clause) shall be reduced by the number of percentage points (rounded to the nearest tenth) equal to the applicable percentage (determined in accordance with section 1(f)(8) of such rate).

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

TITLE III—DEATH TAX REPEAL

Subtitle A—Repeal of Estate, Gift, and Generation-Skipping Taxes; Repeal of Step Up in Basis at Death

SEC. 301. REPEAL OF ESTATE, GIFT, AND GENERATION-SKIPPING TAXES.

(a) In General.—Subtitle B is hereby repealed.

(b) Effective Date.—The repeal made by subparagraph (a) shall apply to the estates of decedents dying, and gifts and generation-skipping transfers made, after December 31, 2006.

SEC. 302. TERMINATION OF STEPS UP IN BASIS AT DEATH.

(a) Termination of Application of Section 1016.—Section 1016 (relating to adjustments to basis of property acquired from a decedent) is amended by striking the section.

(b) Conforming Amendment.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking ‘‘and’’ at the end of paragraph (27) and inserting ‘‘, or’’; and

(c) Effective Date.—The amendments made by this section shall not apply to property for which basis is provided by section 1022.

SEC. 303. CARRYOVER BASIS AT DEATH.

(a) General Rule.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by redesignating section 1023 as section 1024 and inserting after section 1023 the following:

‘‘(ii) in the case of the $2,000 amount in subsection (b)(1)(A) (after being increased under paragraph (3)(B) thereof, and

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.
carryover basis property in the hands of a person acquiring such property from a decedent shall be determined under section 1015.

(b) CARRYOVER BASIS PROPERTY DEFINED.—

(1) IN GENERAL.—For purposes of this section, the term ‘carryover basis property’ means any property—

(A) which is acquired from or passed to a decedent who died after December 31, 2008, and

(B) which is not excluded pursuant to paragraph (2).

The property taken into account under subparagraph (A) shall be determined under section 1014(b) without regard to subparagraph (A) of the last sentence of paragraph (9) thereof.

(2) CERTAIN PROPERTY NOT CARRYOVER BASIS PROPERTY.—The term ‘carryover basis property’ does not include—

(A) any item of gross income in respect of a decedent described in section 691.

(B) property which was acquired from the decedent by the surviving spouse of the decedent, the value of which would have been deductible from the value of the taxable estate of the decedent under section 2036, as in effect on the day before the date of enactment of this section, and

(C) any inducible property of the decedent if the aggregate adjusted fair market value of such property does not exceed $2,000,000.

For purposes of this paragraph and paragraph (3), the term ‘adjusted fair market value’ means, with respect to any property, fair market value reduced by any indebtedness secured by such property.

(3) BASIS OF CARRYOVER BASIS PROPERTY EXCEEDS $1,300,000.—

(A) IN GENERAL.—If the adjusted fair market value of the inducible property of the decedent exceeds $1,300,000, but does not exceed $2,000,000, the amount of the increase in the basis of such property which would (but for this paragraph) result under section 1014 shall be reduced by the amount which bears the same ratio to such increase as such excess bears to $700,000.

(B) ALLOCATION OF REDUCTION.—The reduction provided in subparagraph (A) shall be allocated among only the inducible property having net appreciation and shall be allocated in proportion to the respective amounts of such appreciation. For purposes of the preceding sentence, the term ‘net appreciation’ means the excess of the adjusted fair market value over the decedent’s adjusted basis immediately before such decedent’s death.

(4) INCLUDIBLE PROPERTY.—

(A) IN GENERAL.—For purposes of this subsection, the term ‘inducible property’ means property which would be included in the gross estate of the decedent under any of the following provisions as in effect on the day before the date of the enactment of this section:

(1) Section 2033.

(2) Section 2038.

(3) Section 2040.

(4) Section 2041.

(B) EXCLUSION OF PROPERTY ACQUIRED BY SPOUSE.—Such term shall not include property described in paragraph (2)(B).

(c) REGULATIONS.—The Secretary shall prescribe regulations as may be necessary to carry out the purposes of this section.

(b) MISCELLANEOUS AMENDMENTS RELATED TO CARRYOVER BASIS.

(1) CAPITAL GAIN TREATMENT FOR INHERITED ART WORK OR SIMILAR PROPERTY.—

(A) IN GENERAL.—Subparagraph (C) of section 2026(a)(2)(B) (as amended by section 2703(b)(4)(A) of the American Recovery and Reinvestment Act of 2009) is amended by inserting “other than property described in subparagraph (A) of section 2026(a)(2)(B)” after “than”.

(B) COORDINATION WITH SECTION 170.—Paragraph (1) of section 170 shall be amended by striking paragraph (9)(B) and inserting “(B) property which was acquired from a decedent which is not excluded pursuant to paragraph (2) of section 2026 is a capital asset which would be included in the gross estate of the decedent under section 2036, as in effect on the day before the date of enactment of this section, and the term ‘inducible property’ means any property which would have been deductible from the value of the taxable estate of the decedent under section 2036, as in effect on the day before the date of enactment of this section.”.

(2) DETERMINATION OF GROSS INCOME.—Subsection (a) of section 2026 is amended by striking paragraph (2)(B) and inserting “(B) property which was acquired from a decedent which is not excluded pursuant to paragraph (2) of section 2026 is a capital asset which would be included in the gross estate of the decedent under section 2036, as in effect on the day before the date of enactment of this section, and the term ‘inducible property’ means any property which would have been deductible from the value of the taxable estate of the decedent under section 2036, as in effect on the day before the date of enactment of this section.”.

(3) DETERMINATION OF INCLUDIBLE PROPERTY.—Subsection (b) of section 2026 is amended by striking paragraph (2)(B) and inserting “(B) property which was acquired from a decedent which is not excluded pursuant to paragraph (2) of section 2026 is a capital asset which would be included in the gross estate of the decedent under section 2036, as in effect on the day before the date of enactment of this section, and the term ‘inducible property’ means any property which would have been deductible from the value of the taxable estate of the decedent under section 2036, as in effect on the day before the date of enactment of this section.”.

(4) EFFECTIVE DATES.—

(A) IN GENERAL.—The amendments made by this section shall apply to estates of decedents dying, and gifts made, after December 31, 2000.

(B) SUBSECTION (C).—The amendment made by this subsection shall apply to estates of decedents dying, and gifts made, after December 31, 2000.

Subtitle C—Unified Credit Replaced With Unified Exemption Amount

SEC. 321. UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES REPLACED WITH UNIFIED EXEMPTION AMOUNT.

(a) IN GENERAL.—

(1) ESTATE TAX.—Part IV of subchapter A of chapter 11 is amended by inserting after section 2001 the following new section:

"SEC. 2002. EXEMPTION.

(a) IN GENERAL.—For purposes of the tax imposed by section 2001, the value of the taxable estate shall be determined by deducting from the value of the gross estate an amount equal to the excess (if any) of—

(1) the exemption amount for the calendar year in which the decedent died, over

(2) the sum of—

(A) the aggregate amount allowed as an exemption under section 2221 with respect to gifts made by the decedent after December 31, 2000, and

(B) the aggregate amount of gifts made by the decedent for which credit was allowed by section 2505 (as in effect on the day before the date of the enactment of this section).

Gifts which are includible in the gross estate of the decedent shall not be taken into account in determining the amounts under paragraph (2).

(b) EXEMPTION AMOUNT.—For purposes of subparagraph (A), the term ‘exemption amount’ means the amount determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Exemption Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$675,000</td>
</tr>
<tr>
<td>2002</td>
<td>$700,000</td>
</tr>
<tr>
<td>2003</td>
<td>$750,000</td>
</tr>
<tr>
<td>2004</td>
<td>$800,000</td>
</tr>
<tr>
<td>2005</td>
<td>$850,000</td>
</tr>
<tr>
<td>2006 or thereafter</td>
<td>$900,000</td>
</tr>
</tbody>
</table>

(2) GIFT TAX.—Subchapter C of chapter 12 (relating to deductions) is amended by inserting before section 2222 the following new section:

"SEC. 2221. EXEMPTION.

(a) IN GENERAL.—In computing taxable gifts for any calendar year, there shall be allowed as a deduction in the case of a citizen or resident of the United States an amount equal to the excess of—

(1) the exemption amount determined under section 2505 for such calendar year, over

(2) the sum of—

(A) the aggregate amount allowed as an exemption under section 2221 with respect to gifts made by the decedent for which credit was allowed by section 2505 (as in effect on the day before the date of the enactment of this section)."

For calendar year: percentage points are:

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>2</td>
</tr>
<tr>
<td>2004</td>
<td>3</td>
</tr>
<tr>
<td>2003</td>
<td>5</td>
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<tr>
<td>2002</td>
<td>7</td>
</tr>
<tr>
<td>2001</td>
<td>10</td>
</tr>
</tbody>
</table>

(C) COORDINATION WITH INCOME TAX RATES.—The reductions under subparagraph (A) do not apply if—

(1) the aggregate amount allowed as an exemption under section 2221 with respect to gifts made by the decedent for which credit was allowed by section 2505 (as in effect on the day before the date of the enactment of this section)."
SEC. 1022. INDEXING OF CAPITAL ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

(a) GENERAL RULE.—

(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Except as provided in paragraph (2), if an indexed asset which has been held for more than 1 year is sold or otherwise disposed of, then, for purposes of this section, the indexed basis of the asset shall be substituted for its adjusted basis.

(2) EXCEPTION FOR DEPRECIATION, ETC.—The deduction for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

(b) INDEXED ASSET.—

(1) IN GENERAL.—For purposes of this section, the term ‘indexable asset’ means—

(A) stock in a corporation, and

(B) tangible property (or any interest therein), which is a capital asset or property used in the trade or business (as defined in section 1221(b)).

(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term ‘indexable asset’ does not include—

(A) a creditor’s interest.—Any interest in property which is in the nature of a creditor’s interest.

(B) OPTIONS.—Any option or other right to acquire an interest in an indexable asset.

(C) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (b)(1)).

(D) CERTAIN PREFERRED STOCK.—Stock which is preferred as to dividends and does not participate in corporate growth to any significant extent.

(E) STOCK IN CERTAIN CORPORATIONS.—

(i) an S corporation (within the meaning of section 1361),

(ii) a personal holding company (as defined in section 542), and

(iii) a foreign corporation.

(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Clause (ii) of paragraph (2)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

(A) a stock of a foreign investment company (within the meaning of section 1246(b)), and

(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

(c) INDEXED BASIS.—For purposes of this section—

(1) GENERAL RULE.—The indexed basis for any asset is—

(A) the adjusted basis of the asset, increased by

(B) the applicable inflation adjustment.

(2) APPLICABLE INFLATION ADJUSTMENT.—The applicable inflation adjustment for any asset is the amount by which—

(A) the adjusted basis of the asset, multiplied by

(B) the percentage (if any) by which—

(i) the chain-type price index for GDP for the calendar year in which the asset was acquired by the taxpayer, exceeds

(ii) the chain-type price index for GDP for the last calendar quarter ending before the asset was disposed of, exceeds

(iii) the chain-type price index for GDP for the last calendar quarter ending before the asset was acquired by the taxpayer.

The percentage under subparagraph (B) shall be rounded to the nearest 1/10 of 1 percentage point.

(3) CHAIN-TYPE PRICE INDEX FOR GDP.—The chain-type price index for GDP for any
calendar quarter is such index for such quar-
ter (as so determined therefor and hereinafter
released by the Secretary of Commerce before
the close of the following calendar quarter).

(3) SPECIAL RULES.—For purposes of this
section—

(1) TREATMENT AS SEPARATE ASSET.—In
the case of any asset, the following shall be
treated as a separate asset:

(A) A substantial improvement to prop-
erty,

(B) In the case of stock of a corporation,
a substantial contribution to capital, and

(C) In the case of an instrument of debt
issued by the taxpayer, the date of acquisition of such
asset by the taxpayer shall be treated as not
being a prior application of subsection (a)(1)
for any calendar month determined
under subparagraph (A) would (but for this
paragraph) be 10 percent or less, such
ratio for any calendar month determined
under subparagraph (A) would (but for this
paragraph) be 10 percent or more, such
ratio for such month shall be 100 percent.

(2) ASSETS WHICH ARE NOT INDEXED ASSETS
THROUGHOUT HOLDING PERIOD.—

(A) IN GENERAL.—The applicable inflation
ratio shall be appropriately reduced for calen-
dar months at any time during which the
asset was not an indexed asset.

(B) CERTAIN SHORT SALES.—For purposes
of applying subparagraph (A), an asset shall
be treated as not an indexed asset for any
short sale period during which the taxpayer
or the taxpayer's spouse sells short property
substantially identical to the asset. Purposes
of the preceding sentence, the short sale
period begins on the day after the sub-
stantially identical property is sold and ends
on the settlement date for the sale.

(3) TREATMENT OF CERTAIN DISTRIBUTIONS.—A
distribution with respect to stock in a corpo-
rations which is not a dividend shall be
treated as a disposition.

(4) SECTION CANNOT INCREASE ORDINARY
LOSS.—To the extent that (but for this para-
grah) this section would create or increase a
net ordinary loss to which section 1231(a)(2)
applies or an ordinary loss to which any
other provision of this title applies, such
loss shall not apply. The taxpayer shall
treat as having a long-term capital loss
exceeding the amount of the ordinary
loss to which the preceding sentence
applies.

(5) ACQUISITION DATE WHERE THERE HAS
BEEN PRIOR APPLICATION OF SUBSECTION (a)(1)
WITH RESPECT TO THE TAXPAYER.—If there has
been a prior application of subsection (a)(1)
with respect to the taxpayer, the date of acqui-
sition of such asset by the taxpayer shall be treated as not
earlier than the date of the most recent such
prior application.

(6) COLLAPSIBLE CORPORATIONS.—The
application of section 301(a) (relating to col-
collapsible corporations) shall be deter-
determined with regard to this section.

(c) RELATED PERSONS DEFINED.—For pur-
poses of this section, the term 'related per-
sons' means—

(A) persons bearing a relationship set
forth in section 2513(a), and

(B) persons treated as single employer
under subsection (b) or (c) of section 414.

(d) TRANSFERS TO INCREASE INDEXING AD-
JUSTMENT OR DEPRECIATION ALLOWANCE.—If
any person transfer cash, debt, or any other
property to another person and the principal
purpose of such transfer is—

(1) to secure or increase an adjustment
under subsection (a), or

(2) the increase in the reason of an adjust-
ment under subsection (a) a deduction for
depreciation, depletion, or amortization,
the Secretary may disallow from or pass
all of such an adjustment or increase.

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

(1) RELATED PERSONS.—The term 'related
persons' includes—

(A) members of a family group,

(B) members of a partnership,

(C) members of an association,

(D) members of a trust or estate,

(E) related individuals,

(F) members of a trade or business,

(G) members of a partnership or trust
related to or by the same individual,

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related to or by the same individual,

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related to or by the same individual,

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related to or by the same individual,
month for which the taxpayer participates in any health plan maintained by any employer of the taxpayer or of the spouse of the taxpayer if 50 percent or more of the cost of coverage under such plan (determined under section 125) is paid by such employer.

(B) EMPLOYER CONTRIBUTIONS TO CAFETERIA PLANS, FLEXIBLE SPENDING ARRANGEMENTS, AND MEDICAL SAVINGS ACCOUNTS.—Employer contributions to a cafeteria plan, a flexible spending or similar arrangement, or a medical savings account which are excluded from gross income under section 106 shall be treated for purposes of subparagraph (A) as paid by the employer.

(C) AGGREGATION OF PLANS OF EMPLOYER.—A health plan which is not otherwise described in subparagraph (A) shall be described as such a plan if it includes any other plan which offers benefits under section 414.

(2) COVERAGE UNDER CERTAIN FEDERAL PROGRAMS.—

(A) IN GENERAL.—Subsection (a) shall not apply to coverage which is comparable to coverage which was binding on such date and at all times thereafter, or

(B) EXCEPTION FOR CONTINUATION COVERAGE OF FEHBP.—Subparagraph (A)(iv) shall not apply to coverage which is comparable to continuation coverage under section 4980B.

(d) REDUCTION NOT AVAILABLE FOR PAYMENT OF ANNUITY COVERAGE PREMIUMS.—Any amount paid as a premium for insurance which provides for

(1) coverage for accidents, disability, dental care, vision care, or a specified illness, or

(2) making payments of a fixed amount per day (or other period) by reason of being hospitalized shall not be taken into account under subsection (a).

(e) SPECIAL RULES.—

(1) COORDINATION WITH DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.—The amount taken into account by the taxpayer in computing the deduction under section 162 shall not be taken into account under this section.

(2) COORDINATION WITH MEDICAL EXPENSE DEDUCTION.—The amount taken into account by the taxpayer in computing the deduction under this section shall not be taken into account under section 213.

(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out this section, including regulations requiring employers to report to their employees under paragraph (2) and to the Secretary such information as the Secretary determines to be appropriate.

(9) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ITEMS OTHER DEDUCTIONS.—Subsection (a)(2) shall not be made to any transfer by reason of death so

(10) COVERAGE FOR THE DECEASED.—Subsection (a)(2) shall not be made, in the case of coverage which was binding on such date and at all times thereafter, or

(11) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

NICKLES AMENDMENTS NOS. 1406–1407

(Ordered to lie on the table.)

Mr. NICKLES submitted two amendments intended to be proposed by him to the bill, S. 1429, supra; as follows:

AMENDMENT No. 1406

At the end of title VI, insert:

SEC. 510. DEFINITION OF FACILITIES FOR AGENT-DRIVERS AND COMMISSION-DRIVERS.

(a) INTERNAL REVENUE CODE.—The flush language at the end of section 312(b)(3) is amended by inserting “(including distribution routes or territories)” after “facilities” the first place it appears.

(b) SOCIAL SECURITY ACT.—The flush language at the end of section 210(b)(3) of the Social Security Act is amended by inserting “(including distribution routes or territories)” after “facilities” the first place it appears.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to services performed after December 31, 1999.

AMENDMENT No. 1407

On page 432, line 12, after the end period, insert the following: “For purposes of the preceding sentence, an entity shall be treated as such a controlled entity on July 14, 1999, if it becomes such an entity after such date in a transaction—

(‘‘A’’) made pursuant to a written agreement which was binding on such date and at all times thereafter, or

(‘‘B’’) described on or before such date in a filing with the Securities and Exchange Commission required solely by reason of the transaction.”

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

BURNS (AND CRAIG) AMENDMENT NO. 1408

(Ordered to lie on the table.)

Mr. BURNS (for himself and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill (H.R. 2406), making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes; as follows:

Insert in general provisions the following:

None of the funds made available by this Act may be used for the physical relocation of grizzly bears into the Selway-Bitterroot Wilderness of Idaho and Montana.

TAXPAYER REFUND ACT OF 1999

SHELBY AMENDMENTS NOS. 1409–1410

(Ordered to lie on the table.)

Mr. SHELBY submitted two amendments intended to be proposed by him to the bill, S. 1429, supra; as follows:

AMENDMENT No. 1409

On page 245, between lines 3 and 4, insert the following:

Subtitle E—Miscellaneous Provisions

SECTION 741. EXTENSION OF TIME FOR PAYMENT OF ESTATE TAX ON CERTAIN TIMBER STANDS.

(a) IN GENERAL.—Subchapter B of chapter 49 relating to extensions of time for payment of any estate tax which may be paid under this chapter shall apply to any transfer by reason of death so

(b) LIMITATION.—The maximum amount of tax which may be paid under this subsection shall be an amount bears the same ratio to the tax imposed by section 2001 (reduced by the credits against such tax)

(1) the fair market value of the interest in the qualified timber property, bears to

(2) the adjusted gross estate of the decedent.

(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

(1) QUALIFIED TIMBER PROPERTY.—The term ‘qualified timber property’ means trees and any real property on which such trees are growing which is—

(A) located in the United States, and

(B) used in timber operations as defined in section 2032A(a)(13)(C).

(2) ADJUSTED GROSS ESTATE.—The term, ‘adjusted gross estate’ means the value of the estate reduced by the sum of the amounts allowable as a deduction under section 2053 or 2054. Such sum shall be determined on the basis of the facts and circumstances in existence on the date (including extensions) for filing the return of tax imposed by section 2001 (or, if earlier, the date on which such return is filed).

(3) CERTAIN TRANSFERS AT DEATH OF HEIR DISBARRED.—Subsection (a)(2) shall not be applied to any transfer by reason of death so long as such transfer is to a member of the family (within the meaning of section 267(c)(4)) of the transferor in such transfer.

(d) ELECTION.—Any election under subsection (a) shall be made not later than the time prescribed by section 6075(a) for filing the return of tax imposed by section 2001 (including extensions thereof), and shall be made in such manner as the Secretary shall by regulations prescribe. If an election under subsection (a) is made, the provisions of this subsection shall apply as though the Secretary were extending the time for payment of the tax.

(e) TIME FOR PAYMENT OF INTEREST.—If the time for payment of any amount of tax has been extended under this section, interest payable under section 6611 on any unpaid portion of such amount shall be paid at the time of the payment of the tax.