

111TH CONGRESS  
1ST SESSION

# H. R. 4100

To amend the Internal Revenue Code of 1986 to provide individual and corporate income tax relief, to reduce the employee share of payroll taxes, and to rescind unobligated stimulus funds, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 2009

Mr. BROUN of Georgia (for himself, Mr. GOHMERT, Mr. HALL of Texas, Ms. GRANGER, Mr. COLE, Mr. FRANKS of Arizona, Mr. SHADEGG, Mr. BISHOP of Utah, Mr. MARCHANT, and Mr. POSEY) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Internal Revenue Code of 1986 to provide individual and corporate income tax relief, to reduce the employee share of payroll taxes, and to rescind unobligated stimulus funds, 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 “Jumpstarting Our  
5 Business Sector Act of 2009”.

1 **SEC. 2. CAPITAL GAINS TAX RELIEF.**

2 (a) IN GENERAL.—Part III of subchapter B of chap-  
3 ter 1 of the Internal Revenue Code of 1986 is amended  
4 by adding at the end the following new section:

5 **“SEC. 139D. TEMPORARY EXCLUSION OF CERTAIN DIVI-**  
6 **DENDS AND LONG-TERM CAPITAL GAINS.**

7 “In the case of taxable years beginning in 2009 and  
8 2010, gross income shall not include—

9 “(1) gain from the sale or exchange of a capital  
10 asset held for more than 1 year, and

11 “(2) any qualified dividend income (as defined  
12 in section 1(h)(11)(B), determined without regard to  
13 clause (ii)(IV) thereof and without regard to section  
14 303 of the Jobs and Growth Tax Relief Reconcili-  
15 ation Act of 2003).”.

16 (b) CONFORMING AMENDMENT.—Clause (ii) of sec-  
17 tion 1(h)(11)(B) of such Code is amended by striking  
18 “and” at the end of subclause (II), by striking the period  
19 at the end of subclause (III) and inserting “, and”, and  
20 by adding at the end the following new subclause:

21 “(IV) any dividend excluded from  
22 gross income under section 139D.”.

23 (c) CLERICAL AMENDMENT.—Part III of subchapter  
24 B of chapter 1 of such Code is amended by inserting after  
25 the item relating to section 139C the following new item:

“139D. Temporary exclusion of certain dividends and long-term capital gains.”.

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

4 **SEC. 3. TEMPORARY REDUCTION OF EMPLOYMENT TAXES.**

5 (a) TAX ON EMPLOYEES.—Section 3101 of the Inter-  
6 nal Revenue Code of 1986 is amended by adding at the  
7 end the following new subsection:

8 “(d) TEMPORARY REDUCTION.—In the case of remu-  
9 nation paid not later than 2 years after the date of the  
10 enactment of this subsection—

11 “(1) subsection (a) shall be applied by sub-  
12 stituting ‘3.1’ for ‘6.2’, and

13 “(2) subsection (b) shall be applied by sub-  
14 stituting ‘0.725’ for ‘1.45’.”.

15 (b) TAX ON SELF-EMPLOYED INCOME.—Section  
16 1401 of such Code is amended by adding at the end the  
17 following new subsection:

18 “(c) TEMPORARY REDUCTION.—In the case of self-  
19 employment income derived not later than 2 years after  
20 the date of the enactment of this subsection—

21 “(1) subsection (a) shall be applied by sub-  
22 stituting ‘6.2’ for ‘12.40’, and

23 “(2) subsection (b) shall be applied by sub-  
24 stituting ‘1.45’ for ‘2.90’.”.

25 (c) EFFECTIVE DATES.—

1           (1) The amendment made by subsection (a)  
2 shall apply to remuneration received on or after the  
3 first January 1 after the date of the enactment of  
4 this Act.

5           (2) The amendment made by subsection (b)  
6 shall apply to self-employment income derived on or  
7 after the first January 1 after the date of the enact-  
8 ment of this Act.

9 **SEC. 4. REDUCTION IN CORPORATE MARGINAL INCOME**  
10 **TAX RATES.**

11           (a) IN GENERAL.—Subsection (b) of section 11 of the  
12 Internal Revenue Code of 1986 is amended by adding at  
13 the end the following new paragraph:

14           “(3) REDUCED TEMPORARY RATES.—In the  
15 case of taxable years beginning in 2009 and 2010—

16           “(A) IN GENERAL.—Notwithstanding para-  
17 graph (1), the amount of tax imposed by sub-  
18 section (a) shall be the sum of—

19           “(i) 15 percent of so much of the tax-  
20 able income as does not exceed \$50,000,  
21 and

22           “(ii) 25 percent of so much of the tax-  
23 able income as exceeds \$75,000.

1           “(B) CERTAIN PERSONAL SERVICE COR-  
2           PORATIONS.—Paragraph (2) shall be applied by  
3           substituting ‘25 percent’ for ‘35 percent’.”.

4           (b) EFFECTIVE DATE.—The amendment made by  
5 this section shall apply to taxable years beginning after  
6 December 31, 2008.

7 **SEC. 5. RATE REDUCTIONS FOR 2009 AND 2010.**

8           Subsection (i) of section 1 of the Internal Revenue  
9 Code of 1986 is amended by adding at the end the fol-  
10 lowing new paragraph:

11           “(4) TEMPORARY RATE REDUCTIONS FOR 2009  
12           AND 2010.—In the case of taxable years beginning  
13           after December 31, 2008, and before January 1,  
14           2011—

15           “(A) paragraph (1)(A)(i) shall be applied  
16           by substituting ‘5 percent’ for ‘10 percent’, and

17           “(B) notwithstanding paragraph (1)(A)(ii),  
18           the rate of tax under subsections (a), (b), (c),  
19           and (d) on taxable income over the initial  
20           bracket amount (as defined in such paragraph)  
21           but not over the maximum bracket amount for  
22           the 15-percent rate bracket shall be 10 per-  
23           cent.”.

1 **SEC. 6. RESCISSION OF UNOBLIGATED STIMULUS FUNDS.**

2       Effective on the date of the enactment of this Act,  
3 there are rescinded all unobligated balances of the discre-  
4 tionary appropriations made available by division A of the  
5 American Recovery and Reinvestment Act of 2009 (Public  
6 Law 111–5).

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