

**SUMMARY OF PROVISIONS INCLUDED  
IN THE CONFERENCE AGREEMENT FOR THE  
“MARRIAGE TAX RELIEF RECONCILIATION ACT OF 2000”  
(H.R. 4810)**

Prepared by the Staff  
of the  
JOINT COMMITTEE ON TAXATION



July 20, 2000  
JCX-82-00

## INTRODUCTION

This document,<sup>1</sup> prepared by the staff of the Joint Committee on Taxation, provides a summary of the provisions contained in the conference agreement for the “Marriage Tax Relief Reconciliation Act of 2000” (H.R. 4810).

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<sup>1</sup> This document may be cited as follows: Joint Committee on Taxation, *Summary of Provisions Included in the Conference Agreement for the “Marriage Tax Relief Reconciliation Act of 2000” (H.R. 4810)*, July 20, 2000 (JCX-82-00).

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CONFERENCE AGREEMENT FOR THE  
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**A. Standard Deduction Tax Relief**

Under the conference agreement, the basic standard deduction for a married couple filing a joint return is increased to twice the basic standard deduction for a single individual. This provision is effective for taxable years beginning after December 31, 1999.<sup>2</sup>

**B. Expansion of the 15-Percent Rate Bracket**

The conference agreement increases the size of the 15-percent regular income tax rate bracket for a married couple filing a joint return to twice the size of the corresponding rate bracket for a single individual. This increase is phased in as follows:

<b>Taxable year</b>	<b>Joint return 15-percent rate bracket as a percentage of single return 15-percent rate bracket</b>
2000	170
2001	173
2002	178
2003	183
2004 and thereafter	200

The provision is effective for taxable years beginning after December 31, 1999.<sup>2</sup>

**C. Allowance of Nonrefundable Personal Credits Against  
Regular and Minimum Tax Liability**

The conference agreement permanently extends the present-law provision that permits nonrefundable personal credits to offset regular and minimum tax liability. In addition, the conference agreement repeals the present-law provisions that reduce the refundable child credit and the earned income credit (“EIC”) by the amount of a taxpayer’s alternative minimum tax. These provisions are effective for taxable years beginning after December 31, 2001.

**D. Marriage Tax Relief Relating to the EIC**

The conference agreement increases the beginning point of the phase-out range for the EIC for married couples filing a joint return by \$2,000. The effect of this provision is to increase the EIC for taxpayers in the phase-out range by an amount up to

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<sup>2</sup> Under the conference agreement, the provisions of the bill cannot be taken into account for estimated tax purposes before October 1, 2000.

\$2,000 times the phase-out rate and to increase the number of married couples eligible to claim the EIC. The maximum increase in the EIC as a result of the provision will be \$421.20. This provision is effective for taxable years beginning after December 31, 1999.<sup>2</sup>

#### **E. Compliance with Congressional Budget Act of 1974**

To ensure that the bill complies with the requirements of section 313 of the Congressional Budget Act of 1974 (the so-called “Byrd Rule”), the conference agreement provides that all provisions of the bill cease to apply for taxable years beginning after December 31, 2004.