118TH CONGRESS
1ST SESSION

S.

To amend the Internal Revenue Code of 1986 to repeal the corporate alternative minimum tax.

IN THE SENATE OF THE UNITED STATES

Mr. BARRASSO (for himself, Mr. CRAPO, Mr. LANKFORD, Mr. YOUNG, Mr. CASSIDY, Mr. DAINES, Mrs. BLACKBURN, Mr. RISCH, Mr. BRAUN, Ms. LUMMIS ) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To amend the Internal Revenue Code of 1986 to repeal the corporate alternative minimum tax.

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 “Book Minimum Tax
5 Repeal Act”.
6 SEC. 2. REPEAL OF CORPORATE ALTERNATIVE MINIMUM
7 TAX.
8 (a) IN GENERAL.—Section 55 of the Internal Rev-
9 enue Code of 1986 is amended—
(1) in subsection (a)—

(A) by striking “There” and inserting “In the case of a taxpayer other than a corporation, there”, and

(B) by striking “plus, in the case of an applicable corporation, the tax imposed by section 59A” in paragraph (2), and

(2) by striking subsection (b) and inserting the following:

“(b) Tentative Minimum Tax.—

“(1) Amount of Tentative Minimum Tax.—

“(A) In General.—The tentative minimum tax for the taxable year is the sum of—

“(i) 26 percent of so much of the taxable excess as does not exceed $175,000, plus

“(ii) 28 percent of so much of the taxable excess as exceeds $175,000.

The amount determined under the preceding sentence shall be reduced by the alternative minimum tax foreign tax credit for the taxable year.

“(B) Taxable Excess.—For purposes of this subsection, the term ‘taxable excess’ means so much of the alternative minimum taxable in-
come for the taxable year as exceeds the exemp-
tion amount.

"(C) MARRIED INDIVIDUAL FILING SEPA-
RATE RETURN.—In the case of a married indi-
vidual filing a separate return, subparagraph
(A) shall be applied by substituting 50 percent
of the dollar amount otherwise applicable under
clause (i) and clause (ii) thereof. For purposes
of the preceding sentence, marital status shall
be determined under section 7703.

"(2) ALTERNATIVE MINIMUM TAXABLE IN-
COME.—The term 'alternative minimum taxable in-
come' means the taxable income of the taxpayer for
the taxable year—

"(A) determined with the adjustments pro-
vided in section 56 and section 58, and

"(B) increased by the amount of the items
of tax preference described in section 57.

If a taxpayer is subject to the regular tax, such tax-
payer shall be subject to the tax imposed by this sec-
tion (and, if the regular tax is determined by ref-
ERENCE TO AN AMOUNT OTHER THAN TAXABLE INCOME, SUCH
AMOUNT SHALL BE TREATED AS THE TAXABLE INCOME OF
SUCH TAXPAYER FOR PURPOSES OF THE PRECEDING SENT-
ENCE)."
(b) **APPLICATION TO GENERAL BUSINESS CREDIT.**—

Section 38(c)(6)(E) of the Internal Revenue Code of 1986 is amended to read as follows:

"(E) CORPORATIONS.—In the case of a corporation, this subsection shall be applied by treating the corporation as having a tentative minimum tax of zero."

(c) **CONFORMING AMENDMENTS.**—

(1) Section 11(d) of the Internal Revenue Code of 1986 is amended by striking "the taxes imposed by subsection (a) and section 55" and inserting "the tax imposed by subsection (a)".

(2) Section 12 of such Code is amended by striking paragraph (5).

(3) Section 53 of such Code is amended by striking subsection (e).

(4) Part VI of subchapter A of chapter 1 of such Code is amended by striking section 56A (and the item related to such section in the table of sections for such part).

(5) Section 59 of such Code is amended by striking subsections (k) and (l).

(6) Section 860E(a)(4) of such Code is amended by striking "section 55(b)(1)(D)" and inserting "section 55(b)(2)".
(7) Section 882(a)(1) of such Code is amended by "", 55, ".

(8) Section 897(a)(2)(A)(i) of such Code is amended by striking "section 55(b)(1)(D)" and inserting "section 55(b)(2)".

(9) Section 6425(c)(1)(A) of such Code is amended by striking clause (ii) and by redesignating clause (iii) as clause (ii).

(10) Section 6655(e)(2) of such Code is amended by striking "", adjusted financial statement income (as defined in section 56A)" each place it appears in subparagraphs (A)(i) and (B)(i).

(11) Section 6655(g)(1)(A) of such Code is amended by striking clause (ii) and by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2022.