

116TH CONGRESS
1ST SESSION

H. R. 3121

To amend the Internal Revenue Code of 1986 to increase the adjusted gross income limitation for above-the-line deduction of expenses of performing artist employees, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 5, 2019

Ms. JUDY CHU of California (for herself and Mr. BUCHANAN) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to increase the adjusted gross income limitation for above-the-line deduction of expenses of performing artist employees, 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 “Performing Artist Tax
5 Parity Act of 2019”.

1 **SEC. 2. ABOVE-THE-LINE DEDUCTION OF EXPENSES OF**
 2 **PERFORMING ARTISTS.**

3 (a) IN GENERAL.—Section 62(a)(2)(B) of the Inter-
 4 nal Revenue Code of 1986 is amended—

5 (1) by striking “PERFORMING ARTISTS.—The
 6 deductions” and inserting the following: “PER-
 7 FORMING ARTISTS.—

8 “(i) IN GENERAL.—The deductions”,
 9 and

10 (2) by adding at the end the following new
 11 clauses:

12 “(ii) PHASEOUT.—The amount of ex-
 13 penses taken into account under clause (i)
 14 shall be reduced (but not below zero) by 10
 15 percentage points for each \$2,000 (\$4,000
 16 in the case of a joint return), or fraction
 17 thereof, by which the taxpayer’s adjusted
 18 gross income (determined without regard
 19 to this subparagraph) for the taxable year
 20 exceeds \$100,000 (200 percent of such
 21 amount in the case of a joint return).

22 “(iii) COST-OF-LIVING ADJUST-
 23 MENT.—In the case of any taxable year be-
 24 ginning in a calendar year after 2019, the
 25 \$100,000 amount under clause (ii) shall be
 26 increased by an amount equal to—

1 “(I) such dollar amount, multi-
2 plied by

3 “(II) the cost-of-living adjust-
4 ment determined under section 1(f)(3)
5 for the calendar year in which the tax-
6 able year begins, determined by sub-
7 stituting ‘calendar year 2018’ for ‘cal-
8 endar year 2016’ in subparagraph
9 (A)(ii) thereof.

10 If any amount after adjustment under the
11 preceding sentence is not a multiple of
12 \$1,000, such amount shall be rounded to
13 the nearest multiple of \$1,000.”.

14 (b) CLARIFICATION REGARDING COMMISSION PAID
15 TO PERFORMING ARTIST’S MANAGER OR AGENT.—Sec-
16 tion 62(a)(2)(B)(i) of such Code, as amended by sub-
17 section (a), is amended by inserting before the period at
18 the end the following: “, including any commission paid
19 to the performing artist’s manager or agent”.

20 (c) CONFORMING AMENDMENTS.—

21 (1) Section 62(a)(2)(B)(i) of such Code, as
22 amended by the preceding provisions of this Act, is
23 amended by striking “by him” and inserting “by the
24 performing artist”.

1 (2) Section 62(b)(a) of such Code is amended
2 by inserting “and” at the end of subparagraph (A),
3 by striking “, and” at the end of subparagraph (B)
4 and inserting a period, and by striking subparagraph
5 (C).

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