

112TH CONGRESS
1ST SESSION

H. R. 2049

To amend the Internal Revenue Code of 1986 to increase the limitation on capital losses to \$10,500 and to index such limitation to inflation.

IN THE HOUSE OF REPRESENTATIVES

MAY 26, 2011

Mr. SENSENBRENNER 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 limitation on capital losses to \$10,500 and to index such limitation to inflation.

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. LIMITATION ON CAPITAL LOSSES OF INDIVID-**
4 **UALS INCREASED TO \$10,500.**

5 (a) IN GENERAL.—Paragraph (1) of section 1211(b)
6 of the Internal Revenue Code of 1986 (relating to limita-
7 tion on capital losses) is amended to read as follows:

8 “(1)(A) in the case of married individual filing
9 a separate return, 50 percent of the amount in effect
10 under subparagraph (B) for the taxable year, or

1 “(B) \$10,500 in any other case, or”.

2 (b) COST-OF-LIVING INCREASE.—Section 1211 of
3 such Code is amended by adding at the end the following
4 new subsection:

5 “(c) COST-OF-LIVING INCREASE.—

6 “(1) IN GENERAL.—In the case of any taxable
7 year beginning in a calendar year after calendar
8 year 2011, the \$10,500 amount under subsection
9 (b)(1)(B) shall be increased by an amount equal
10 to—

11 “(A) such dollar amount, multiplied by

12 “(B) the cost-of-living adjustment deter-
13 mined under section 1(f)(3) for the calendar
14 year in which the taxable year begins, deter-
15 mined by substituting ‘calendar year 2010’ for
16 ‘calendar year 1992’ in subparagraph (B)
17 thereof.

18 “(2) ROUNDING.—If any amount after adjust-
19 ment under paragraph (1) is not a multiple of \$100,
20 such amount shall be rounded to the next higher
21 multiple of \$100.”.

22 (c) EFFECTIVE DATE.—The amendment made by
23 this section shall apply to taxable years beginning after
24 December 31, 2010.

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