

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 1  
OFFERED BY MR. NEUGEBAUER OF TEXAS**

Strike all after the enacting clause and insert the  
following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Economic Growth  
3 Through Tax Stimulus Act of 2009”.

**4 SEC. 2. EGTRRA, JGTRRA, AND CERTAIN OTHER TAX RE-  
5 LIEF MADE PERMANENT.**

6       (a) ECONOMIC GROWTH AND TAX RELIEF REC-  
7 ONCILIATION ACT OF 2001.—Title IX of the Economic  
8 Growth and Tax Relief Reconciliation Act of 2001 is here-  
9 by repealed.

10       (b) INCOME TAX RATES ON DIVIDENDS AND NET  
11 CAPITAL GAIN.—Section 303 of the Jobs and Growth Tax  
12 Relief Reconciliation Act of 2003 is hereby repealed.

13       (c) DEDUCTION FOR STATE AND LOCAL SALES  
14 TAXES.—Paragraph (5) of section 164(b) of the Internal  
15 Revenue Code of 1986 is amended by striking subpara-  
16 graph (I).

1 (d) DEDUCTION FOR TUITION AND RELATED EX-  
2 PENSES.—Section 222 of such Code is amended by strik-  
3 ing subsection (e).

4 (e) INCREASED EXPENSING FOR SMALL BUSI-  
5 NESS.—

6 (1) DOLLAR LIMITATION.—Paragraph (1) of  
7 section 179(b) of such Code (relating to dollar limi-  
8 tation) is amended by striking “\$25,000 (\$125,000  
9 in the case of taxable years beginning after 2006  
10 and before 2011)” and inserting “\$125,000”.

11 (2) INCREASE IN QUALIFYING INVESTMENT AT  
12 WHICH PHASEOUT BEGINS.—Paragraph (2) of sec-  
13 tion 179(b) of such Code (relating to reduction in  
14 limitation) is amended by striking “\$200,000  
15 (\$500,000 in the case of taxable years beginning  
16 after 2006 and before 2011)” and inserting  
17 “\$500,000”.

18 (3) INFLATION ADJUSTMENTS.—Section  
19 179(b)(5)(A) of such Code (relating to inflation ad-  
20 justments) is amended by striking “and before  
21 2011”.

22 (4) REVOCATION OF ELECTION.—Section  
23 179(c)(2) of such Code (relating to election irrev-  
24 ocable) is amended by striking “and before 2011”.



1 shall be further adjusted to carry out this sub-  
2 section.”.

3 (b) CONFORMING AMENDMENT.—Section 15 of such  
4 Code is amended by adding at the end the following new  
5 subsection:

6 “(g) ECONOMIC STIMULUS RATE REDUCTIONS.—  
7 This section shall not apply to any change in rates under  
8 subsection (j) of section 1 (relating to economic stimulus  
9 rate reductions).”.

10 (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to taxable years beginning after  
12 December 31, 2008.

13 **SEC. 4. REDUCTION IN CORPORATE INCOME TAX RATES.**

14 (a) IN GENERAL.—Section 11 of the Internal Rev-  
15 enue Code of 1986 is amended by adding at the end the  
16 following new subsection:

17 “(e) ECONOMIC STIMULUS RATE REDUCTIONS.—In  
18 the case of taxable years beginning in a calendar year  
19 after 2008 and before 2014—

20 “(1) subsection (b)(1) shall be applied by dis-  
21 regarding—

22 “(A) ‘but does not exceed \$75,000,’ in sub-  
23 paragraph (B) thereof,

24 “(B) subparagraphs (C) and (D) thereof,

25 and

1                   “(C) the last 2 sentences,  
2                   “(2) subsection (b)(2) shall be applied by sub-  
3                   stituting ‘25 percent’ for ‘35 percent’, and  
4                   “(3) paragraphs (1) and (2) of section 1445(e)  
5                   shall each be applied by substituting ‘25 percent’ for  
6                   ‘35 percent.’.”  
7                   (b) EFFECTIVE DATE.—The amendments made by  
8                   this section shall apply to taxable years beginning after  
9                   December 31, 2008.

