

119TH CONGRESS
1ST SESSION

H. R. 721

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

JANUARY 24, 2025

Mr. BUCHANAN (for himself, Mr. FITZPATRICK, Ms. MALLIOTAKIS, Mr. CAREY, Mr. LAWLER, Ms. CHU, Ms. SÁNCHEZ, Mr. BOYLE of Pennsylvania, Mr. PANETTA, Mr. HORSFORD, Mr. DOGGETT, Mr. DAVIS of Illinois, Mr. SCHNEIDER, and Mr. GOMEZ) 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 2025”.

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 gross in-
 18 come for the taxable year exceeds
 19 \$100,000 (200 percent of such amount in
 20 the case of a joint return).

21 “(iii) COST-OF-LIVING ADJUST-
 22 MENT.—In the case of any taxable year be-
 23 ginning in a calendar year after 2025, the
 24 \$100,000 amount under clause (ii) shall be
 25 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 2024’ 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) INCREASE IN THRESHOLD FOR DETERMINING
21 NOMINAL EMPLOYERS.—Section 62(b)(2) of such Code is
22 amended—

23 (1) by striking “An individual” and inserting
24 the following:

25 “(A) IN GENERAL.—An individual”,

1 (2) by striking “\$200” and inserting “\$500”,
2 and

3 (3) by adding at the end the following new sub-
4 paragraph:

5 “(B) COST-OF-LIVING ADJUSTMENT.—In
6 the case of any taxable year beginning in a cal-
7 endar year after 2025, the \$500 amount under
8 subparagraph (A) shall be increased by an
9 amount equal to—

10 “(i) such dollar amount, multiplied by

11 “(ii) the cost-of-living adjustment de-
12 termined under section 1(f)(3) for the cal-
13 endar year in which the taxable year be-
14 gins, determined by substituting ‘calendar
15 year 2024’ for ‘calendar year 2016’ in sub-
16 paragraph (A)(ii) thereof.

17 If any amount after adjustment under the pre-
18 ceding sentence is not a multiple of \$50, such
19 amount shall be rounded to the nearest multiple
20 of \$50.”.

21 (d) CONFORMING AMENDMENTS.—

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

1 (2) Section 62(b)(1) 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).

6 (e) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to taxable years beginning after
8 December 31, 2024.

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