

119TH CONGRESS
2D SESSION

H. R. 9626

To amend the Internal Revenue Code of 1986 to eliminate the State and local tax deduction marriage penalty.

IN THE HOUSE OF REPRESENTATIVES

JULY 9, 2026

Mr. GOTTHEIMER 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 eliminate the State and local tax deduction marriage penalty.

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. ELIMINATION OF STATE AND LOCAL TAX DE-**
4 **DUCTION MARRIAGE PENALTY.**

5 (a) IN GENERAL.—Section 164(b)(7)(A)(ii) of the In-
6 ternal Revenue Code of 1986 is amended by striking
7 “2026, \$40,400,” and inserting the following: “2026—

8 “(I) except as provided in sub-
9 clauses (II) and (III), \$40,400,

1 “(II) in the case of a joint re-
2 turn, 200 percent of the dollar
3 amount under subclause (I), and

4 “(III) in the case of a married
5 individual filing a separate return, 50
6 percent of the dollar amount under
7 subclause (I),”.

8 (b) MODIFIED ADJUSTED GROSS INCOME THRESH-
9 OLD AMOUNT.—Section 164(b)(7)(B)(ii)(II) of such Code
10 is amended by striking “2026, \$505,000, and” and insert-
11 ing the following: “2026—

12 “(aa) except as provided in
13 subitems (bb) and (cc), \$505,000,

14 “(bb) in the case of a joint re-
15 turn, 200 percent of the dollar
16 amount under subitem (aa), and

17 “(cc) in the case of a married in-
18 dividual filing a separate return, 50
19 percent of the dollar amount under
20 subitem (aa), and”.

21 (c) CONFORMING AMENDMENTS.—

22 (1) Subparagraphs (A)(iii) and (B)(ii)(III) of
23 section 164(b)(7) of such Code are each amended—

1 (A) by inserting “with respect to the filing
2 status of the taxpayer for the taxable year,” be-
3 fore “101 percent”, and

4 (B) by inserting “, with respect to such fil-
5 ing status,” after “in effect”.

6 (2) Section 164(b)(6)(B) of such Code is
7 amended by striking “(half the applicable limitation
8 amount in the case of a married individual filing a
9 separate return)”.

10 (3) Section 164(b)(7)(A)(iv) of such Code is
11 amended by inserting “(half such amount in the
12 case of a married individual filing a separate re-
13 turn)”.

14 (4) Section 164(b)(7)(B)(i) of such Code is
15 amended by striking “(half the threshold amount in
16 the case of a married individual filing a separate re-
17 turn)”.

18 (d) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2026.

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