



# TaxNewsFlash

United States



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## House passes tax bill, benefits for same-sex couples (PRIDE Act)

The U.S. House of Representatives yesterday evening passed, by voice vote, H.R. 3299, the “Promoting Respect for Individuals’ Dignity and Equality (PRIDE) Act of 2019,” a bill that would amend the Internal Revenue Code to clarify that all provisions apply to legally married same-sex couples in the same manner as to other married couples. It also would allow legally married same-sex couples to change their filing status for federal income tax returns outside the statute of limitations.

Prior to floor consideration, an amendment was added to the bill reported previously by the Ways and Means Committee. The amendment includes a provision that would increase the section 6651(a)(1) minimum failure to file penalty from \$330 to \$435. This penalty was recently increased to \$330 from \$205, and a future inflation adjustment was added, by H.R. 3151, the “Taxpayer First Act,” which became Pub. L. No. 116-25 on July 1, 2019.

Read the statutory language of the House-passed bill: [H.R. 3299](#)

### Background

The bill was previously approved by the Ways and Means Committee via voice vote on June 20, 2019. Read [TaxNewsFlash](#)

### Budget estimate

The Joint Committee on Taxation (JCT) yesterday released a budget estimate for H.R. 3299: [JCX-40-19](#)

According to the JCT, the bill would have a net revenue cost of approximately \$18 million over 10 years.

### What’s next?

It is not clear whether or when the Senate might consider H.R. 3299.

## **KPMG observation**

In recent Congresses, it has been unusual for a tax bill reported by the Ways and Means Committee to be modified prior to action by the full House. In this Congress, H.R. 3299 is not the only tax bill reported by Ways and Means to be modified prior to House floor action. For example, H.R. 1994, the "Setting Every Community Up for Retirement Enhancement Act of 2019" (the "SECURE Act") was modified by a manager's amendment after being reported by the Ways and Means Committee, as was H.R. 397, the "Rehabilitation for Multiemployer Pensions Act of 2019."

The proposed increase in the section 6651(a)(1) minimum failure to file penalty from \$330 to \$435 is also included in H.R. 397, which also passed the House yesterday.

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