

## CONTRIBUTIONS BY SELF-EMPLOYED INDIVIDUALS TO PENSION PLANS, ETC.

MAY 26, 1966.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

Mr. KEOGH, from the Committee on Ways and Means, submitted  
the following

### R E P O R T

[To accompany H.R. 10]

The Committee on Ways and Means, to whom was referred the bill (H.R. 10) to amend the Internal Revenue Code of 1954 to permit pension and profit-sharing plans to provide contributions or benefits on a nondiscriminatory basis for certain self-employed individuals without special limitations on the amount of contributions, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert:

That (a) paragraph (10) of section 404(a) of the Internal Revenue Code of 1954 (relating to special limitation on amount allowed as deduction for self-employed individuals for contributions to certain pension, etc., plans) is repealed.

(b)(1) Each of the following provisions of section 401 of such Code is amended by striking out “(determined without regard to section 404(a)(10))” each place it appears:

(A) Subsection (a)(10)(A)(ii).

(B) Subparagraphs (A) and (B) of subsection (d)(5).

(C) Subparagraph (A) of subsection (d)(6).

(D) Subparagraphs (A) and (B)(i) of subsection (e)(1).

(E) Subparagraphs (B) and (C) and the last sentence of subsection (e)(3).

(2) Subparagraph (A) of section 404(e)(2) of such Code is amended by striking out “(determined without regard to subsection (a)(10))”.

(3) Paragraph (1) and subparagraph (B) of paragraph (2) of section 404(e) of such Code are each amended by striking out “(determined without regard to paragraph (10) thereof)”.

SEC. 2. Section 401(c)(2) of the Internal Revenue Code of 1954 (relating to definition of earned income for certain pension and profit-sharing plans) is amended to read as follows: