



1           (1) Section 25(e)(1)(C) is amended by striking  
2           “sections 23, 25D, and 1400C” and inserting “sec-  
3           tions 25D and 1400C”.

4           (2) Section 36D, as so redesignated, is amend-  
5           ed—

6                   (A) in subsection (b)(2)(A), by striking  
7           “(determined without regard to subsection  
8           (e))”;

9                   (B) by striking subsection (c); and

10                   (C) by redesignating subsections (d)  
11           through (i) as subsections (e) through (h), re-  
12           spectively.

13           (3) Section 137 is amended—

14                   (A) in subsection (d), by striking “section  
15           23(d)” and inserting “section 36D(e)”; and

16                   (B) in subsection (e), by striking “sub-  
17           sections (e), (f), and (g) of section 23” and in-  
18           serting “subsections (d), (e), and (f) of section  
19           36D”.

20           (4) Section 1016(a)(26) is amended by striking  
21           “23(g)” and inserting “36D(f)”.

22           (5) Section 6211(b)(4)(A) is amended by insert-  
23           ing “36D,” before “168(k)(4)”.



1 (1) in paragraph (1), by striking “\$3,000” and  
2 inserting “\$6,000”; and

3 (2) in paragraph (2), by striking “\$6,000” and  
4 inserting “\$12,000”.

5 (c) SPECIAL RULE FOR MARRIED COUPLES FILING  
6 SEPARATE RETURNS.—Section 21(e)(2) is amended to  
7 read as follows:

8 “(2) MARRIED COUPLES FILING SEPARATE RE-  
9 TURNS.—In the case of a taxpayer that is married  
10 at the close of the taxable year and files as married  
11 filing separate return for such year—

12 “(A) the credit allowed by this section shall  
13 be determined as if the taxpayer filed a sepa-  
14 rate return for the taxable year, except that

15 “(B) the limits in subsections (a) and (c)  
16 shall be applied as if the taxpayer was married,  
17 except that the total amount of the credit al-  
18 lowed under this section to both spouses shall  
19 not exceed the amount that would be allowable  
20 if both spouses filed married filing jointly.

21 The Secretary shall prescribed regulations or other  
22 guidance to carry out this subsection.”.

23 (d) ADJUSTMENT FOR INFLATION.—Section 21 is  
24 amended—

1           (1) by redesignating subsection (f) as sub-  
2           section (g); and

3           (2) by inserting after subsection (e) the fol-  
4           lowing new subsection:

5           “(f) INFLATION ADJUSTMENT.—

6           “(1) IN GENERAL.—In the case of a calendar  
7           year beginning after 2018, the \$120,000 amount in  
8           paragraph (2) of subsection (a) and the dollar  
9           amounts in subsection (c) shall each be increased by  
10          an amount equal to—

11                   “(A) such dollar amount, multiplied by

12                   “(B) the cost-of-living adjustment deter-  
13                   mined under section 1(f)(3) for the calendar  
14                   year in which the taxable year begins, deter-  
15                   mined by substituting ‘calendar year 2017’ for  
16                   ‘calendar year 1992’ in subparagraph (B)  
17                   thereof.

18           “(2) ROUNDING.—If any dollar amount, after  
19           being increased under paragraph (1), is not a mul-  
20           tiple of \$100, such dollar amount shall be rounded  
21           to the next lowest multiple of \$100.”.

22          (e) CREDIT TO BE REFUNDABLE.—

23           (1) IN GENERAL.—The Internal Revenue Code  
24           of 1986 is amended—

1 (A) by redesignating section 21 as section  
2 36C; and

3 (B) by moving section 36C, as so redesign-  
4 nated, from subpart A of part IV of subchapter  
5 A of chapter 1 to the location immediately be-  
6 fore section 37 in subpart C of part IV of sub-  
7 chapter A of chapter 1.

8 (2) TECHNICAL AMENDMENTS.—

9 (A) Paragraph (1) of section 23(f) is  
10 amended by striking “21(e)” and inserting  
11 “36C(e)”.

12 (B) Paragraph (6) of section 35(g) is  
13 amended by striking “21(e)” and inserting  
14 “36C(e)”.

15 (C) Paragraph (1) of section 36C(a) (as  
16 redesignated by paragraph (1)) is amended by  
17 striking “this chapter” and inserting “this sub-  
18 title”.

19 (D) Subparagraph (C) of section 129(a)(2)  
20 is amended by striking “section 21(e)” and in-  
21 sserting “section 36C(e)”.

22 (E) Paragraph (2) of section 129(b) is  
23 amended by striking “section 21(d)(2)” and in-  
24 sserting “section 36C(d)(2)”.

1 (F) Paragraph (1) of section 129(e) is  
2 amended by striking “section 21(b)(2)” and in-  
3 serting “section 36C(b)(2)”.

4 (G) Subsection (e) of section 213 is  
5 amended by striking “section 21” and inserting  
6 “section 36C”.

7 (H) Subparagraph (H) of section  
8 6213(g)(2) is amended by striking “section 21”  
9 and inserting “section 36C”.

10 (I) Subparagraph (L) of section  
11 6213(g)(2) is amended by striking “section 21,  
12 24, or 32,” and inserting “section 24, 32, or  
13 36C,”.

14 (J) Paragraph (2) of section 1324(b) of  
15 title 31, United States Code, is amended by in-  
16 serting “36C,” after “36B,”.

17 (K) The table of sections for subpart C of  
18 part IV of subchapter A of chapter 1 is amend-  
19 ed by inserting after the item relating to section  
20 36B the following:

“Sec. 36C. Expenses for household and dependent care services necessary for  
gainful employment.”.

21 (L) The table of sections for subpart A of  
22 such part IV is amended by striking the item  
23 relating to section 21.

1 (f) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2017.

4 **SEC. 1108. CORPORATE RATE INCREASE TO ACHIEVE REV-**  
5 **ENUE NEUTRALITY.**

6 (a) IN GENERAL.—The rate of tax specified in sec-  
7 tion 11(b)(1) of the Internal Revenue Code of 1986 (after  
8 the amendment made by section 3001(a)) shall be in-  
9 creased by such number of percentage points as is nec-  
10 essary to fully offset the aggregate reduction in Federal  
11 revenues which result from the amendments made by sec-  
12 tions 1106 and 1107 and striking sections 1102, 1404,  
13 and 1406 made by this amendment.

14 (b) EFFECTIVE DATE.—Subsection (a) shall apply as  
15 if such provision were an amendment made by section  
16 3001(a).

Strike section 1404.

Strike section 1406.

