

**AMENDMENT****OFFERED BY Ms. SÁNCHEZ OF CALIFORNIA**

Section 174(e) of the Internal Revenue Code of 1986, as proposed to be added by section 101(a), is amended to read as follows:

1       “(e) SUSPENSION OF APPLICATION.—

2               “(1) IN GENERAL.—Except as provided in para-  
3       graph (2), this section shall apply to amounts paid  
4       or incurred in taxable years beginning after Decem-  
5       ber 31, 2025 (and shall not apply to amounts paid  
6       or incurred in taxable years beginning on or before  
7       such date).

8               “(2) SPECIAL RULE FOR DISQUALIFIED TAX-  
9       PAYERS.—

10              “(A) IN GENERAL.—In the case of a dis-  
11       qualified taxpayer, paragraph (1) shall not  
12       apply.

13              “(B) DISQUALIFIED TAXPAYER.—For pur-  
14       poses of this subsection, the term ‘disqualified  
15       taxpayer’ means, with respect to a taxable year,  
16       any taxpayer which does not demonstrate to the  
17       satisfaction of the Secretary that the wages  
18       paid by such taxpayer during such taxable year

1           are paid at rates not less than the prevailing  
2           rates referred to in section 45(b)(7).”.

Subsection (k) of section 174A of the Internal Revenue Code of 1986, as proposed to be added by section 101(b), is redesignated as subsection (l).

Section 174A of the Internal Revenue Code of 1986, as proposed to be added by section 101(b), is amended by inserting after subsection (j) the following new subsection:

3           “(k) EXCLUSION OF DISQUALIFIED TAXPAYERS.—  
4 This section shall not apply with respect to any taxpayer  
5 for any taxable year with respect to which such taxpayer  
6 is a disqualified taxpayer (as defined in section 174).”.

Section 163(j)(8)(A)(v) of the Internal Revenue Code of 1986, as amended by section 102(a), is amended to read as follows:

7                   “(v) any deduction allowable for de-  
8                   preciation, amortization, or depletion in  
9                   the case of taxable years beginning be-  
10                  fore—

11                   “(I) in the case of a disqualified  
12                   taxpayer (as defined in section 174),  
13                   January 1, 2022, or

1 “(II) in the case of any other  
2 taxpayer, January 1, 2026, and”.

In section 103, redesignate subsection (d) as subsection (e) and insert after subsection (c) the following:

3 (d) AMENDMENTS NOT APPLICABLE TO DISQUALI-  
4 FIED TAXPAYERS.—Section 168(k)(6) is amended by add-  
5 ing at the end the following new subparagraph:

6 “(D) SPECIAL RULE FOR DISQUALIFIED  
7 TAXPAYERS.—In the case of any taxable year  
8 for which the taxpayer is a disqualified tax-  
9 payer (as defined in section 174), this para-  
10 graph shall be applied without regard to the  
11 amendments made by section 103 of the Build  
12 It in America Act.”.

At the end of title I, add the following:

13 **SEC. 104. ABOVE-THE-LINE DEDUCTION FOR UNION DUES**  
14 **AND EXPENSES.**

15 (a) IN GENERAL.—Section 62(a)(1) is amended by  
16 adding at the end the following new sentence: “The limita-  
17 tion under the preceding sentence shall not apply to deduc-  
18 tions which are attributable to a trade or business con-  
19 sisting of the performance of services by the taxpayer as  
20 an employee if such deductions are for union dues and  
21 expenses.”

1       (b) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2022.

