**The Taxpayer Assistance and eXemption (T.A.X.) Act**

| 1  2  3  4  5  6  7  8  9  10  11  12  13  14  15 | BE IT ENACTED BY THE CONGRESS HERE ASSEMBLED THAT:  **SECTION 1**. To exempt tips and overtime earnings from federal income tax, increasing take-home pay for American workers and retirees.  **SECTION 2**. For the purposes of this legislation, the following terms are defined:   1. “Tips” shall be defined as any income received as gratuities. 2. “Overtime Earnings” shall be defined as any income received from overtime hours. 3. ”Tip Credit” shall be defined as the practice of counting tips as a portion of wages to meet federal or state minimum wage requirements.   **SECTION 3.** The Department of Treasury and Internal Revenue Service will be responsible for the implementation of this legislation.defined:   1. Businesses that utilize tip credits shall be subject to an additional 12% tax.   **SECTION 4.** This legislation will take effect on January 1, 2026. All laws in conflict with this legislation are hereby declared null and void. |
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*Introduced for Congressional Debate by Marjory Stoneman Douglas Highschool.*