

1 striking clause (iv), by redesignating clause (v) as  
2 clause (iv), and by inserting “and” at the end of  
3 clause (iii).

4 (3) Section 172(d) is amended by striking para-  
5 graph (7).

6 (4) Section 613(a) is amended by striking “and  
7 without the deduction under section 199”.

8 (5) Section 613A(d)(1) is amended by striking  
9 subparagraph (B) and by redesignating subpara-  
10 graphs (C), (D), and (E) as subparagraphs (B), (C),  
11 and (D), respectively.

12 (6) Section 1402(a) is amended by adding  
13 “and” at the end of paragraph (15) and by striking  
14 paragraph (16).

15 (c) EFFECTIVE DATE.—The amendments made by  
16 this section shall apply to taxable years beginning after  
17 December 31, 2017.

18 **SEC. 3307. ENTERTAINMENT, ETC. EXPENSES.**

19 (a) DENIAL OF DEDUCTION.—Subsection (a) of sec-  
20 tion 274 is amended to read as follows:

21 “(a) ENTERTAINMENT, AMUSEMENT, RECREATION,  
22 AND OTHER FRINGE BENEFITS .—

23 “(1) IN GENERAL.—No deduction otherwise al-  
24 lowable under this chapter shall be allowed for

1 amounts paid or incurred for any of the following  
2 items:

3 “(A) ACTIVITY.—With respect to an activ-  
4 ity which is of a type generally considered to  
5 constitute entertainment, amusement, or recre-  
6 ation.

7 “(B) MEMBERSHIP DUES.—With respect  
8 to membership in any club organized for busi-  
9 ness, pleasure, recreation or other social pur-  
10 poses.

11 “(C) AMENITY.—With respect to a de  
12 minimis fringe (as defined in section 132(e)(1))  
13 that is primarily personal in nature and involv-  
14 ing property or services that are not directly re-  
15 lated to the taxpayer’s trade or business.

16 “(D) FACILITY.—With respect to a facility  
17 or portion thereof used in connection with an  
18 activity referred to in subparagraph (A), mem-  
19 bership dues or similar amounts referred to in  
20 subparagraph (B), or an amenity referred to in  
21 subparagraph (C).

22 “(E) QUALIFIED TRANSPORTATION  
23 FRINGE AND PARKING FACILITY.—Which is a  
24 qualified transportation fringe (as defined in  
25 section 132(f)) or which is a parking facility