

Union Calendar No. 233

114TH CONGRESS
1ST SESSION

H. R. 961

[Report No. 114-307]

To amend the Internal Revenue Code of 1986 to permanently extend the subpart F exemption for active financing income.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2015

Mr. TIBERI (for himself, Mr. NEAL, Mr. KIND, Mr. LARSON of Connecticut, Mr. PASCRELL, Mr. THOMPSON of California, Mr. REED, Mr. ROSKAM, Mr. YOUNG of Indiana, and Mr. BOUSTANY) introduced the following bill; which was referred to the Committee on Ways and Means

OCTOBER 23, 2015

Additional sponsors: Ms. LINDA T. SÁNCHEZ of California, Mr. SCHOCK, Mr. SAM JOHNSON of Texas, Mr. SMITH of Nebraska, Mr. MARCHANT, Mrs. NOEM, and Mr. PAULSEN

OCTOBER 23, 2015

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on February 12, 2015]

A BILL

To amend the Internal Revenue Code of 1986 to permanently extend the subpart F exemption for active financing income.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Permanent Active Fi-*
5 *ancing Exception Act of 2015”.*

6 **SEC. 2. PERMANENT SUBPART F EXEMPTION FOR ACTIVE**
7 **FINANCING INCOME.**

8 (a) *BANKING, FINANCING, OR SIMILAR BUSINESSES.—*
9 *Section 954(h) of the Internal Revenue Code of 1986 (relat-*
10 *ing to special rule for income derived in the active conduct*
11 *of banking, financing, or similar businesses) is amended by*
12 *striking paragraph (9).*

13 (b) *INSURANCE BUSINESSES.—Section 953(e) of such*
14 *Code (relating to exempt insurance income) is amended by*
15 *striking paragraph (10) and by redesignating paragraph*
16 *(11) as paragraph (10).*

17 (c) *EFFECTIVE DATE.—The amendments made by this*
18 *section shall apply to taxable years of a foreign corporation*
19 *beginning after December 31, 2014, and to taxable years*
20 *of United States shareholders with or within which such*
21 *taxable years of such foreign corporation end.*

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