

111TH CONGRESS
1ST SESSION

S. 676

To amend the Internal Revenue Code of 1986 to modify the tax rate for excise tax on investment income of private foundations.

IN THE SENATE OF THE UNITED STATES

MARCH 24, 2009

Mr. SCHUMER (for himself, Ms. STABENOW, and Mr. LEVIN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to modify the tax rate for excise tax on investment income of private foundations.

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. MODIFICATION OF THE TAX RATE FOR THE EX-**
4 **CISE TAX ON INVESTMENT INCOME OF PRI-**
5 **VATE FOUNDATIONS.**

6 (a) IN GENERAL.—Subsection (a) of section 4940 of
7 the Internal Revenue Code of 1986 is amended by striking
8 “2 percent” and inserting “1.32 percent”.

9 (b) ELIMINATION OF REDUCED TAX WHERE FOUN-
10 DATION MEETS CERTAIN DISTRIBUTION REQUIRE-

1 AMENDMENTS.—Section 4940 of the Internal Revenue Code of
2 1986 is amended by striking subsection (e).

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

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