

112TH CONGRESS
1ST SESSION

H. R. 749

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 16, 2011

Mr. TIBERI (for himself, Mr. NEAL, Mr. SAM JOHNSON of Texas, Mr. LARSON of Connecticut, Mr. BRADY of Texas, and Mr. CROWLEY) introduced the following bill; which was referred to the Committee on Ways and Means

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. PERMANENT SUBPART F EXEMPTION FOR AC-**
4 **TIVE FINANCING INCOME.**

5 (a) BANKING, FINANCING, OR SIMILAR BUSI-
6 NESSES.—Subsection (h) of section 954 of the Internal
7 Revenue Code of 1986 (relating to special rule for income
8 derived in the active conduct of banking, financing, or
9 similar businesses) is amended by striking paragraph (9).

1 (b) INSURANCE BUSINESSES.—Subsection (e) of sec-
2 tion 953 of such Code (relating to exempt insurance in-
3 come) is amended by striking paragraph (10) and by re-
4 designating paragraph (11) as paragraph (10).

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to taxable years of a foreign cor-
7 poration beginning after the date of the enactment of this
8 Act, and to taxable years of United States shareholders
9 with or within which such taxable years of such foreign
10 corporation end.

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