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111TH CONGRESS
1ST SESSION

H. R. 1944

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

IN THE HOUSE OF REPRESENTATIVES

APRIL 2, 2009

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

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A BILL

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT SUBPART F EXEMPTION FOR ACTIVE FINANCING INCOME.

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

(b) INSURANCE BUSINESSES.—Subsection (e) of section 953 of such Code (relating to exempt insurance income) is amended by striking paragraph (10) and by redesignating paragraph (11) as paragraph (10).

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

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