

S 2339

Tax Haven and Abusive Tax Shelter Reform Act of 2002

Congress: 107 (2001–2003, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Apr 26, 2002

Current Status: Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S3468-3471)

Latest Action: Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S3468-3471)
(Apr 26, 2002)

Official Text: <https://www.congress.gov/bill/107th-congress/senate-bill/2339>

Sponsor

Name: Sen. Kerry, John F. [D-MA]

Party: Democratic • **State:** MA • **Chamber:** Senate

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Apr 26, 2002

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

Summary (as of Apr 26, 2002)

Tax Haven and Abusive Tax Shelter Reform Act of 2002 - Amends the Internal Revenue Code to set forth general and special rules defining economic substance.

Doubles the penalty for certain tax accuracy related underpayments.

Penalizes the promoter of tax avoidance strategies which have no economic substance in an amount equal to 100 percent of the gross income derived.

Modifies provisions concerning penalties for aiding and abetting understatement of tax liability, including adding provisions directed specifically at individuals who advise, represent, or procure certain tax shelters failing to meet legal requirements.

Revises provisions concerning the failure to maintain lists of investors in potentially abusive tax shelters to set the penalty for certain violations at 50 percent of gross proceeds.

Creates a new penalty, the penalty for failure to include tax shelter information with a return.

Requires the registration of certain tax shelters without corporate participants.

Requires Americans transferring money or property to a tax haven or to a resident of a tax haven to furnish information with respect to the transfer. Permits exceptions. Imposes a financial penalty where an individual fails to provide the information requested by the Secretary.

Reduces certain specified tax benefits with respect to income from identified tax havens.

Imposes a financial penalty of \$5,000, in addition to any other penalty imposed by law, for failing to keep records or file a required report with respect to any foreign financial agency transaction.

Actions Timeline

- **Apr 26, 2002:** Introduced in Senate
- **Apr 26, 2002:** Sponsor introductory remarks on measure. (CR S3467-3468, S3471)
- **Apr 26, 2002:** Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S3468-3471)