

HR 2520

Abusive Tax Shelter Shutdown Act of 2001

Congress: 107 (2001–2003, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Jul 17, 2001

Current Status: Referred to the House Committee on Ways and Means.

Latest Action: Referred to the House Committee on Ways and Means. (Jul 17, 2001)

Official Text: <https://www.congress.gov/bill/107th-congress/house-bill/2520>

Sponsor

Name: Rep. Doggett, Lloyd [D-TX-10]

Party: Democratic • **State:** TX • **Chamber:** House

Cosponsors (35 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Allen, Thomas H. [D-ME-1]	D · ME		Jul 17, 2001
Rep. Becerra, Xavier [D-CA-30]	D · CA		Jul 17, 2001
Rep. Bonior, David E. [D-MI-10]	D · MI		Jul 17, 2001
Rep. Coyne, William J. [D-PA-14]	D · PA		Jul 17, 2001
Rep. Hinchey, Maurice D. [D-NY-26]	D · NY		Jul 17, 2001
Rep. Jefferson, William J. [D-LA-2]	D · LA		Jul 17, 2001
Rep. Jones, Stephanie Tubbs [D-OH-11]	D · OH		Jul 17, 2001
Rep. Kleczka, Gerald D. [D-WI-4]	D · WI		Jul 17, 2001
Rep. Levin, Sander M. [D-MI-12]	D · MI		Jul 17, 2001
Rep. Lewis, John [D-GA-5]	D · GA		Jul 17, 2001
Rep. Matsui, Robert T. [D-CA-5]	D · CA		Jul 17, 2001
Rep. McDermott, Jim [D-WA-7]	D · WA		Jul 17, 2001
Rep. McGovern, James P. [D-MA-3]	D · MA		Jul 17, 2001
Rep. McNulty, Michael R. [D-NY-21]	D · NY		Jul 17, 2001
Rep. Miller, George [D-CA-7]	D · CA		Jul 17, 2001
Rep. Neal, Richard E. [D-MA-2]	D · MA		Jul 17, 2001
Rep. Rangel, Charles B. [D-NY-15]	D · NY		Jul 17, 2001
Rep. Sanchez, Loretta [D-CA-46]	D · CA		Jul 17, 2001
Rep. Schakowsky, Janice D. [D-IL-9]	D · IL		Jul 17, 2001
Rep. Stark, Fortney Pete [D-CA-13]	D · CA		Jul 17, 2001
Rep. Thurman, Karen L. [D-FL-5]	D · FL		Jul 17, 2001
Rep. Tierney, John F. [D-MA-6]	D · MA		Jul 17, 2001
Rep. DeFazio, Peter A. [D-OR-4]	D · OR		Jul 18, 2001
Rep. Sherman, Brad [D-CA-24]	D · CA		Jul 19, 2001
Rep. Waxman, Henry A. [D-CA-29]	D · CA		Jul 19, 2001
Rep. Meeks, Gregory W. [D-NY-6]	D · NY		Jul 31, 2001
Rep. Davis, Danny K. [D-IL-7]	D · IL		Sep 12, 2001
Del. Faleomavaega, Eni F. H. [D-AS-At Large]	D · AS		Jun 4, 2002
Rep. Baldwin, Tammy [D-WI-2]	D · WI		Jun 4, 2002
Rep. DeLauro, Rosa L. [D-CT-3]	D · CT		Jun 4, 2002
Rep. Farr, Sam [D-CA-17]	D · CA		Jun 4, 2002
Rep. Maloney, James H. [D-CT-5]	D · CT		Jun 4, 2002
Rep. Slaughter, Louise McIntosh [D-NY-28]	D · NY		Jun 4, 2002
Rep. Solis, Hilda L. [D-CA-31]	D · CA		Jun 4, 2002
Rep. Pelosi, Nancy [D-CA-8]	D · CA		Jul 24, 2002

Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	Jul 17, 2001

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

Summary (as of Jul 17, 2001)

Abusive Tax Shelter Shutdown Act of 2001 - 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.

Revises provisions concerning the determination of the basis of corporations to state as a general rule that, with respect to property acquired by the issuance of stock or as paid-in surplus and transfers to corporations, if there would be (but for this paragraph) an importation of a net built-in loss, the basis of specified property acquired in such transaction shall be its fair market value immediately after such transaction.

Revises provisions concerning partnerships with respect to: (1) the treatment of contributed property with a built-in loss; (2) the adjustment of partnership property on the transfer of a partnership interest if there is a substantial built-in loss; and (3) the adjustment to the basis of undistributed partnership property if there is a substantial basis reduction.

Actions Timeline

- **Jul 17, 2001:** Introduced in House
- **Jul 17, 2001:** Introduced in House
- **Jul 17, 2001:** Sponsor introductory remarks on measure. (CR H4023-4028)
- **Jul 17, 2001:** Referred to the House Committee on Ways and Means.