

S 1890

Government Settlement Transparency Act of 2005

Congress: 109 (2005–2007, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Oct 19, 2005

Current Status: Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S11566-11567

Latest Action: Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S11566-11567) (Oct 19, 2005)

Official Text: <https://www.congress.gov/bill/109th-congress/senate-bill/1890>

Sponsor

Name: Sen. Baucus, Max [D-MT]

Party: Democratic • State: MT • Chamber: Senate

Cosponsors (3 total)

| Cosponsor | Party / State | Role | Date Joined |
|-------------------------------|---------------|------|--------------|
| Sen. Grassley, Chuck [R-IA] | R · IA | | Oct 19, 2005 |
| Sen. McCain, John [R-AZ] | R · AZ | | Oct 19, 2005 |
| Sen. Feinstein, Dianne [D-CA] | D · CA | | Oct 28, 2005 |

Committee Activity

| Committee | Chamber | Activity | Date |
|-------------------|---------|-------------|--------------|
| Finance Committee | Senate | Referred To | Oct 19, 2005 |

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

Government Settlement Transparency Act of 2005 - Amends the Internal Revenue Code to revise the rule denying a tax deduction for fines and penalties paid to a government for the violation of any law to provide that no deduction shall be allowed for any fine or penalty paid (whether by suit, agreement, or otherwise) to, or at the direction of, a government or nongovernmental regulatory entity for a violation of law or for the investigation or inquiry by such government or entity into a potential violation of any law.

Allows exceptions to the general rule of nondeductibility for: (1) certain restitution payments or payments required to come into compliance with law; (2) court-ordered payments not involving a government or nongovernmental regulatory entity; and (3) amounts paid or incurred as taxes due.

Requires governmental agencies involved in a settlement with a taxpayer to report to the Secretary of the Treasury and the taxpayer information about such settlement, including the amount of the settlement, the amount paid as restitution or remediation of property, and the amount paid to come into compliance with law.

Actions Timeline

- **Oct 19, 2005:** Introduced in Senate
- **Oct 19, 2005:** Sponsor introductory remarks on measure. (CR S11565-11566)
- **Oct 19, 2005:** Read twice and referred to the Committee on Finance. (text of measure as introduced: CR S11566-11567)