

HR 5793

Close Foreign Tax Loopholes: Make it in America Act of 2010

Congress: 111 (2009–2011, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Jul 20, 2010

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

Latest Action: Referred to the House Committee on Ways and Means. (Jul 20, 2010)

Official Text: <https://www.congress.gov/bill/111th-congress/house-bill/5793>

Sponsor

Name: Rep. Garamendi, John [D-CA-10]

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

Cosponsors (18 total)

| Cosponsor | Party / State | Role | Date Joined |
|---------------------------------------|---------------|------|--------------|
| Rep. DeFazio, Peter A. [D-OR-4] | D · OR | | Jul 20, 2010 |
| Rep. Hare, Phil [D-IL-17] | D · IL | | Jul 20, 2010 |
| Rep. Hinchey, Maurice D. [D-NY-22] | D · NY | | Jul 20, 2010 |
| Rep. Kagen, Steve [D-WI-8] | D · WI | | Jul 20, 2010 |
| Rep. Kaptur, Marcy [D-OH-9] | D · OH | | Jul 20, 2010 |
| Rep. McDermott, Jim [D-WA-7] | D · WA | | Jul 20, 2010 |
| Rep. Napolitano, Grace F. [D-CA-38] | D · CA | | Jul 20, 2010 |
| Rep. Perlmutter, Ed [D-CO-7] | D · CO | | Jul 20, 2010 |
| Rep. Schauer, Mark H. [D-MI-7] | D · MI | | Jul 20, 2010 |
| Rep. Sutton, Betty [D-OH-13] | D · OH | | Jul 20, 2010 |
| Rep. Dingell, John D. [D-MI-15] | D · MI | | Jul 21, 2010 |
| Rep. Kilpatrick, Carolyn C. [D-MI-13] | D · MI | | Jul 21, 2010 |
| Rep. Pastor, Ed [D-AZ-4] | D · AZ | | Jul 21, 2010 |
| Rep. Fattah, Chaka [D-PA-2] | D · PA | | Jul 22, 2010 |
| Rep. Pallone, Frank, Jr. [D-NJ-6] | D · NJ | | Jul 26, 2010 |
| Rep. Heinrich, Martin [D-NM-1] | D · NM | | Jul 30, 2010 |
| Rep. Stark, Fortney Pete [D-CA-13] | D · CA | | Sep 22, 2010 |
| Rep. Baldwin, Tammy [D-WI-2] | D · WI | | Sep 23, 2010 |

Committee Activity

| Committee | Chamber | Activity | Date |
|--------------------------|---------|-------------|--------------|
| Ways and Means Committee | House | Referred To | Jul 20, 2010 |

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

| Bill | Relationship | Last Action |
|-------------|--------------|---|
| 111 HR 5982 | Related bill | Jul 30, 2010: On motion to suspend the rules and pass the bill Failed by the Yeas and Nays: (2/3 required): 241 - 154 (Roll no. 514). |
| 111 HR 5893 | Related bill | Jul 29, 2010: POSTPONED PROCEEDINGS - Pursuant to clause 2c of rule 19, the Chair postponed further proceedings on H.R. 5893 until a time to be announced. |

Summary

(as of Jul 20, 2010)

Close Foreign Tax Loopholes: Make it in America Act of 2010 - Amends the Internal Revenue Code, with respect to the taxation of foreign income and the foreign tax credit, to: (1) suspend the recognition of foreign tax credits until the related foreign income is taken into account for U.S. tax purposes; (2) deny a foreign tax credit for foreign income not subject to U.S. taxation due to a covered asset acquisition (defined as an acquisition that results in an increase in tax basis for U.S. tax purposes but not for foreign tax purposes); (3) apply a separate foreign tax credit limitation for each item of income that would be treated as derived from sources within the United States and that would be treated as arising from sources outside the United States under a treaty obligation (if the taxpayer chooses the benefits of such treaty); (4) limit the amount of foreign tax credits that may be claimed by a U.S. domestic corporation with respect to a deemed dividend paid by a foreign subsidiary; (5) prevent a reduction in earnings in profits of a foreign corporation in an acquisition if more than 50% of the dividends arising from such acquisition would not be subject to U.S. taxation or would be includable in the earnings and profits of a controlled foreign corporation; (6) treat a foreign corporation as a member of an affiliated group for interest allocation and apportionment purposes if more than 50% of its gross income is effectively connected with a U.S. trade or business and at least 80% of either the vote or value of its outstanding stock is owned directly or indirectly by members of the affiliated group; (7) repeal tax rules exempting foreign source income attributable to the active conduct of a foreign trade or business from withholding of tax requirements; (8) treat as income received in the United States amounts received from noncorporate residents or domestic corporations with respect to guarantees and amounts paid by any foreign person if such amounts are connected with income that is effectively connected with the conduct of a trade or business in the United States; and (9) provide that the statute of limitations for assessing any tax on certain foreign transactions shall apply only to items related to a failure to provide information to the Internal Revenue Service (IRS) due to reasonable cause and not willful neglect.

Actions Timeline

- **Jul 20, 2010:** Introduced in House
- **Jul 20, 2010:** Referred to the House Committee on Ways and Means.