

## HR 1439

### Business Activity Tax Simplification Act of 2011

**Congress:** 112 (2011–2013, Ended)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** Apr 8, 2011

**Current Status:** Placed on the Union Calendar, Calendar No. 173.

**Latest Action:** Placed on the Union Calendar, Calendar No. 173. (Oct 21, 2011)

**Official Text:** <https://www.congress.gov/bill/112th-congress/house-bill/1439>

## Sponsor

**Name:** Rep. Goodlatte, Bob [R-VA-6]

**Party:** Republican • **State:** VA • **Chamber:** House

## Cosponsors (12 total)

| Cosponsor                                   | Party / State | Role | Date Joined  |
|---|---------------|------|--------------|
| Rep. Duncan, Jeff [R-SC-3]                  | R · SC        |      | Apr 8, 2011  |
| Rep. Jackson Lee, Sheila [D-TX-18]          | D · TX        |      | Apr 8, 2011  |
| Rep. Scott, Robert C. "Bobby" [D-VA-3]      | D · VA        |      | Apr 8, 2011  |
| Rep. Thompson, Bennie G. [D-MS-2]           | D · MS        |      | May 4, 2011  |
| Rep. Duncan, John J., Jr. [R-TN-2]          | R · TN        |      | May 10, 2011 |
| Rep. Coble, Howard [R-NC-6]                 | R · NC        |      | Jun 24, 2011 |
| Rep. Hastings, Alcee L. [D-FL-23]           | D · FL        |      | Jun 24, 2011 |
| Rep. Johnson, Henry C. "Hank," Jr. [D-GA-4] | D · GA        |      | Jun 24, 2011 |
| Rep. Jordan, Jim [R-OH-4]                   | R · OH        |      | Jul 6, 2011  |
| Rep. Sensenbrenner, F. James, Jr. [R-WI-5]  | R · WI        |      | Jul 6, 2011  |
| Rep. Chabot, Steve [R-OH-1]                 | R · OH        |      | Jul 8, 2011  |
| Rep. Lungren, Daniel E. [R-CA-3]            | R · CA        |      | Jul 11, 2011 |

## Committee Activity

| Committee           | Chamber | Activity        | Date        |
|---------------------|---------|-----------------|-------------|
| Judiciary Committee | House   | Discharged from | Jul 1, 2011 |

## Subjects & Policy Tags

### Policy Area:

Taxation

## Related Bills

No related bills are listed.

**(This measure has not been amended since it was introduced. The summary has been expanded because action occurred on the measure.)**

Business Activity Tax Simplification Act of 2011 - Expands the prohibition against state taxation of interstate commerce to include: (1) taxation of out-of-state sales transactions involving all forms of property, including intangible personal property and services (currently, only sales of tangible personal property are protected); and (2) all other business activity taxes in addition to net income taxes. Exempts from state taxation persons who enter a state merely to furnish information to customers and affiliates, to cover news or other events, or to gather information in the state.

Sets forth jurisdictional standards for states in imposing, assessing, or collecting a net income tax or other business activity tax on interstate activities. Defines "physical presence in a state" as: (1) being an individual physically in a state or assigning one or more employees to be in a state, (2) using the services of an agent to establish or maintain the market in a state, and (3) leasing or owning tangible personal or real property in a state (excluding the leasing or licensing of computer software). Excludes from the definition of "physical presence" presence in a state for less than 15 days in a taxable year or presence in a state to conduct limited or transient business activity.

Provides that this Act shall not be construed to modify or affect any state business activity tax on a partnership, an S corporation or limited liability company, or a trust or estate that has a physical presence in the state or to supersede the authority of a state to enact a law or bring a law enforcement action against persons or entities engaged in illegal activity or sham transactions.

Sets forth a rule for computing the net income tax or other business activity tax liability of an affiliated group.

Makes this Act applicable to taxable periods beginning on or after January 1, 2012.

## **Actions Timeline**

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- **Oct 21, 2011:** Reported by the Committee on Judiciary. H. Rept. 112-257.
- **Oct 21, 2011:** Placed on the Union Calendar, Calendar No. 173.
- **Jul 7, 2011:** Committee Consideration and Mark-up Session Held.
- **Jul 7, 2011:** Ordered to be Reported by Voice Vote.
- **Jul 1, 2011:** Subcommittee on Courts, Commercial and Administrative Law Discharged.
- **Apr 13, 2011:** Subcommittee Hearings Held.
- **Apr 8, 2011:** Introduced in House
- **Apr 8, 2011:** Sponsor introductory remarks on measure. (CR E674-675)
- **Apr 8, 2011:** Referred to the House Committee on the Judiciary.
- **Apr 8, 2011:** Referred to the Subcommittee on Courts, Commercial and Administrative Law.