

## S 2786

Corporate Inverters Earnings Stripping Reform Act of 2014

**Congress:** 113 (2013–2015, Ended)

**Chamber:** Senate

**Policy Area:** Taxation

**Introduced:** Sep 10, 2014

**Current Status:** Read twice and referred to the Committee on Finance.

**Latest Action:** Read twice and referred to the Committee on Finance. (Sep 10, 2014)

**Official Text:** <https://www.congress.gov/bill/113th-congress/senate-bill/2786>

### Sponsor

**Name:** Sen. Schumer, Charles E. [D-NY]

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

### Cosponsors (14 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Baldwin, Tammy [D-WI]	D · WI		Sep 10, 2014
Sen. Brown, Sherrod [D-OH]	D · OH		Sep 10, 2014
Sen. Cardin, Benjamin L. [D-MD]	D · MD		Sep 10, 2014
Sen. Coons, Christopher A. [D-DE]	D · DE		Sep 10, 2014
Sen. Durbin, Richard J. [D-IL]	D · IL		Sep 10, 2014
Sen. Levin, Carl [D-MI]	D · MI		Sep 10, 2014
Sen. Markey, Edward J. [D-MA]	D · MA		Sep 10, 2014
Sen. Menendez, Robert [D-NJ]	D · NJ		Sep 10, 2014
Sen. Merkley, Jeff [D-OR]	D · OR		Sep 10, 2014
Sen. Reed, Jack [D-RI]	D · RI		Sep 10, 2014
Sen. Rockefeller, John D., IV [D-WV]	D · WV		Sep 10, 2014
Sen. Stabenow, Debbie [D-MI]	D · MI		Sep 10, 2014
Sen. Warren, Elizabeth [D-MA]	D · MA		Sep 10, 2014
Sen. Nelson, Bill [D-FL]	D · FL		Sep 15, 2014

### Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Sep 10, 2014

### Subjects & Policy Tags

**Policy Area:**

Taxation

## Related Bills

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*No related bills are listed.*

## Summary (as of Sep 10, 2014)

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Corporate Inverters Earnings Stripping Reform Act of 2014 - Amends the Internal Revenue Code to impose limitations on the tax deduction for interest paid by corporations which are designated as applicable entities (i.e., members of an expanded affiliated group which includes a surrogate foreign corporation which is not treated as a domestic corporation). Prohibits such an entity from claiming a tax deduction for interest that exceeds 25% of its adjusted taxable income and from carrying forward interest which is paid or accrued during the first year in which such entity becomes an applicable entity.

Requires an applicable entity to file an annual application for an approval agreement (i.e., a prefilling, advance pricing, or other agreement involving a related-party transaction) with the Internal Revenue Service (IRS) during the 10-year period after it becomes an applicable entity.

## Actions Timeline

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- **Sep 10, 2014:** Introduced in Senate
- **Sep 10, 2014:** Read twice and referred to the Committee on Finance.