S 2666

Corporate Inverters Earnings Stripping Reform Act of 2016

Congress: 114 (2015–2017, Ended)
Chamber: Senate
Policy Area: Taxation
Introduced: Mar 10, 2016
Current Status: Read twice and referred to the Committee on Finance.
Latest Action: Read twice and referred to the Committee on Finance. (Mar 10, 2016)
Official Text: https://www.congress.gov/bill/114th-congress/senate-bill/2666

Sponsor

Name: Sen. Schumer, Charles E. [D-NY]
Party: Democratic • **State:** NY • **Chamber:** Senate

Cosponsors (8 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Brown, Sherrod [D-OH]	D · OH		Mar 10, 2016
Sen. Cardin, Benjamin L. [D-MD]	D · MD		Mar 10, 2016
Sen. Durbin, Richard J. [D-IL]	D · IL		Mar 10, 2016
Sen. Menendez, Robert [D-NJ]	D · NJ		Mar 10, 2016
Sen. Nelson, Bill [D-FL]	D · FL		Mar 10, 2016
Sen. Stabenow, Debbie [D-MI]	D · MI		Mar 10, 2016
Sen. Warren, Elizabeth [D-MA]	D · MA		Mar 10, 2016
Sen. Feinstein, Dianne [D-CA]	D · CA		Apr 6, 2016

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Mar 10, 2016

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
114 HR 4581	Related bill	**Feb 23, 2016:** Referred to the House Committee on Ways and Means.

Summary (as of Mar 10, 2016)

Corporate Inverters Earnings Stripping Reform Act of 2016

This bill 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). Such an entity may not claim a tax deduction for interest that exceeds 25% of its adjusted taxable income and may not carry forward interest which is paid or accrued during the first year in which such entity becomes an applicable entity.

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

Actions Timeline

- **Mar 10, 2016:** Introduced in Senate
- **Mar 10, 2016:** Read twice and referred to the Committee on Finance.

LegiList

CONGRESS, MADE CLEAR.

Search Every Federal Bill, Law, and Vote

LegiList is the fastest way to research Congress. Track any bill from introduction to enactment, see how every legislator voted, follow committee activity, and read the full text of every bill — all in one place, always up to date.

legilist.com

Free Course: Learn How Congress Actually Works

LegiList Learn is a free, self-paced course that walks through the entire legislative process — from drafting a bill to a presidential signature. Seven modules, plain language, no politics. Earn a certificate when you finish.

legilist.com/learn

Developer API: Build Apps on Legislative Data

The LegiList API gives developers direct access to bills, votes, legislators, committees, and more. Start free with 1,000 requests per day — no credit card required. Upgrade to Pro when you need to scale.

legilist.com/api

Public data belongs to the public. — legilist.com