

HR 2788

S Corporation Modernization Act of 2015

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Jun 16, 2015

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

Latest Action: Referred to the House Committee on Ways and Means. (Jun 16, 2015)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/2788>

Sponsor

Name: Rep. Reichert, David G. [R-WA-8]

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

Cosponsors (5 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Kind, Ron [D-WI-3]	D · WI		Jun 16, 2015
Rep. Marchant, Kenny [R-TX-24]	R · TX		Jun 17, 2015
Rep. Tiberi, Patrick J. [R-OH-12]	R · OH		Jun 18, 2015
Rep. Renacci, James B. [R-OH-16]	R · OH		Jun 25, 2015
Rep. Paulsen, Erik [R-MN-3]	R · MN		Jul 7, 2015

Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	Jun 16, 2015

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
114 S 1905	Related bill	Jul 30, 2015: Read twice and referred to the Committee on Finance.
114 HR 629	Related bill	Feb 9, 2015: Placed on the Union Calendar, Calendar No. 9.
114 HR 630	Related bill	Feb 9, 2015: Placed on the Union Calendar, Calendar No. 10.

S Corporation Modernization Act of 2015

Amends the Internal Revenue Code to revise the tax treatment of S corporations by: (1) permanently reducing from 10 to 5 years the period during which S corporation built-in gains are subject to tax, (2) repealing mandatory termination of S corporation elections for excessive passive investment income, (3) allowing S corporations to increase passive investment income from 25 to 60% without incurring additional tax, (4) allowing nonresident aliens to be potential current beneficiaries of an electing small business trust (ESBT), (5) allowing individual retirement accounts to be S corporation shareholders, (6) allowing ESBTs to claim expanded charitable tax deductions, and (7) making permanent the rule requiring a basis adjustment to stock of an S corporation making charitable contributions of property.

Actions Timeline

- **Jun 16, 2015:** Introduced in House
- **Jun 16, 2015:** Referred to the House Committee on Ways and Means.