

## HR 4581

Stop Corporate Earnings Stripping Act of 2016

**Congress:** 114 (2015–2017, Ended)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** Feb 23, 2016

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

**Latest Action:** Referred to the House Committee on Ways and Means. (Feb 23, 2016)

**Official Text:** <https://www.congress.gov/bill/114th-congress/house-bill/4581>

### Sponsor

**Name:** Rep. Levin, Sander M. [D-MI-9]

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

### Cosponsors (4 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Pascrell, Bill, Jr. [D-NJ-9]	D · NJ		Feb 23, 2016
Rep. Rangel, Charles B. [D-NY-13]	D · NY		Feb 23, 2016
Rep. Thompson, Mike [D-CA-5]	D · CA		Feb 23, 2016
Rep. Van Hollen, Chris [D-MD-8]	D · MD		Feb 23, 2016

### Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	Feb 23, 2016

### Subjects & Policy Tags

#### Policy Area:

Taxation

### Related Bills

Bill	Relationship	Last Action
114 S 2666	Related bill	<b>Mar 10, 2016:</b> Read twice and referred to the Committee on Finance.

### Summary (as of Feb 23, 2016)

#### Stop Corporate Earnings Stripping Act of 2016

This bill amends the Internal Revenue Code to limit the tax deduction available to certain foreign-controlled U.S. multinational corporations for excess interest on debt incurred by such corporation (i.e., earnings stripping) by: (1) repealing the debt-to-equity ratio threshold required for such deduction, (2) reducing the permitted net interest expense threshold from 50% to 25% of the corporation's adjusted taxable income, (3) repealing the carryforward of excess amounts of interest, and (4) limiting to five years the carryforward of disallowed interest expense.

## Actions Timeline

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- **Feb 23, 2016:** Introduced in House
- **Feb 23, 2016:** Referred to the House Committee on Ways and Means.