

S 790

Economic Freedom Zones Act of 2015

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Economics and Public Finance

Introduced: Mar 18, 2015

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

Latest Action: Read twice and referred to the Committee on Finance. (Mar 18, 2015)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/790>

Sponsor

Name: Sen. Paul, Rand [R-KY]

Party: Republican • State: KY • Chamber: Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. McConnell, Mitch [R-KY]	R · KY		Mar 18, 2015

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Mar 18, 2015

Subjects & Policy Tags

Policy Area:

Economics and Public Finance

Related Bills

No related bills are listed.

Economic Freedom Zones Act of 2015

Prohibits federal assistance (e.g., loans, loan guarantees, or purchases) from being provided to: (1) a municipality or a zip code (eligible entity), other than an entity that is designated an Economic Free Zone by this Act; (2) a municipality that is a debtor in a bankruptcy proceeding; or (3) a municipality that is insolvent.

Sets forth requirements for the designation of an eligible entity that is a municipality as an Economic Freedom Zone for a 10-year period, including bankruptcy eligibility, insolvency, or pervasive poverty, unemployment, and general distress.

Amends the Internal Revenue Code to provide tax incentives for investment in an Economic Freedom Zone, including; (1) a 5% flat tax rate on the taxable income of individuals and corporations, (2) a 0% capital gains tax rate for gain from the sale or exchange of Economic Freedom Zone assets or real property, (3) reduced employment tax rates, and (4) an increase in the expensing allowance for business property in an Economic Freedom Zone.

Exempts an area designated as an Economic Freedom Zone from: (1) compliance with specified environmental regulations, (2) requirements applicable to a National Heritage Area, and (3) wage rate requirements under the Davis-Bacon Act.

Amends the Internal Revenue Code to allow: (1) a tax credit, up to \$5,000 in a taxable year for the elementary and secondary education expenses of a student attending a public, private, or religious school whose principal residence is located in an Economic Freedom Zone; (2) a tax-exempt Economic Freedom Zone educational savings account for individuals whose principal residence is located in an Economic Freedom Zone; and (3) a tax credit, in lieu of a tax deduction, for contributions to a charitable organization serving individuals in an Economic Freedom Zone.

Amends the Elementary and Secondary Education Act of 1965 to allow a special allocation of grant funds under such Act for the benefit of children from families residing in an Economic Freedom Zone whose incomes are below the federal poverty level.

Authorizes the Secretary of Homeland Security (DHS), in collaboration with the Secretary of Labor, to issue Special Economic Freedom Zone Visas to aliens meeting certain educational and skill requirements who intend to enter the United States to invest in an Economic Freedom Zone.

Expresses the sense of the Senate that state and local governments should review and adopt specified policy recommendations relating to pension reform, tax reduction, adoption of school choice options, adoption of right-to-work laws, streamlining the regulatory burden, and reducing or fixing abandoned structures.

Actions Timeline

- **Mar 18, 2015:** Introduced in Senate
- **Mar 18, 2015:** Read twice and referred to the Committee on Finance.