

## HR 2057

### Tax Fairness and Transparency Act

**Congress:** 115 (2017–2019, Ended)

**Chamber:** House

**Policy Area:** Taxation

**Introduced:** Apr 6, 2017

**Current Status:** Referred to the Committee on Ways and Means, and in addition to the Committee on Financial Services,

**Latest Action:** Referred to the Committee on Ways and Means, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. (Apr 6, 2017)

**Official Text:** <https://www.congress.gov/bill/115th-congress/house-bill/2057>

### Sponsor

**Name:** Rep. Pocan, Mark [D-WI-2]

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

### Cosponsors (8 total)

| Cosponsor                                   | Party / State | Role | Date Joined  |
|---|---------------|------|--------------|
| Del. Norton, Eleanor Holmes [D-DC-At Large] | D · DC        |      | Apr 6, 2017  |
| Rep. Cicilline, David N. [D-RI-1]           | D · RI        |      | Apr 6, 2017  |
| Rep. Conyers, John, Jr. [D-MI-13]           | D · MI        |      | Apr 6, 2017  |
| Rep. Grijalva, Raúl M. [D-AZ-3]             | D · AZ        |      | Apr 6, 2017  |
| Rep. Lee, Barbara [D-CA-13]                 | D · CA        |      | Apr 6, 2017  |
| Rep. Moore, Gwen [D-WI-4]                   | D · WI        |      | Apr 6, 2017  |
| Rep. Schakowsky, Janice D. [D-IL-9]         | D · IL        |      | Apr 6, 2017  |
| Rep. Ellison, Keith [D-MN-5]                | D · MN        |      | Sep 14, 2017 |

### Committee Activity

| Committee                    | Chamber | Activity    | Date        |
|------------------------------|---------|-------------|-------------|
| Financial Services Committee | House   | Referred To | Apr 6, 2017 |
| Ways and Means Committee     | House   | Referred To | Apr 6, 2017 |

### Subjects & Policy Tags

**Policy Area:**

Taxation

### Related Bills

No related bills are listed.

## **Tax Fairness and Transparency Act**

This bill amends the Internal Revenue Code to limit the tax deduction of the interest expense of a U.S. corporation that is a member of a financial reporting group (a group that prepares consolidated financial statements according to accepted accounting principles or international financial reporting standards) to: (1) the amount of interest on indebtedness of the corporation includable in the corporation's gross income for the taxable year plus its proportionate share of the group's net interest expense in the taxable year computed under U.S. income tax principles; or (2) not more than 10% of the corporation's adjusted taxable income, if the corporation fails to substantiate its proportionate share of interest expense or so elects.

The bill exempts from the limitation a corporation that is predominantly engaged in the active conduct of a banking, financing, or similar business or that has less than \$5 million of net interest expense for the taxable year.

The bill also modifies the definition of subpart F income (i.e., income of a controlled foreign corporation earned outside the United States that is not tax-deferred) to include income of a controlled foreign corporation derived from any foreign country. This modification is applicable to taxable years beginning after December 31, 2017.

The bill amends the Securities Exchange Act of 1934 to require each issuer of a security who is required to file an annual or quarterly report to disclose specified: (1) details regarding pre-tax profits and taxes paid; and (2) corporate financial information, aggregated on a country-by-country basis, for each of its subsidiaries.

## **Actions Timeline**

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- **Apr 6, 2017:** Introduced in House
- **Apr 6, 2017:** Referred to the Committee on Ways and Means, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.