

HR 3084

Empowering Employees through Stock Ownership Act

Congress: 115 (2017–2019, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Jun 27, 2017

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

Latest Action: Referred to the House Committee on Ways and Means. (Jun 27, 2017)

Official Text: <https://www.congress.gov/bill/115th-congress/house-bill/3084>

Sponsor

Name: Rep. Paulsen, Erik [R-MN-3]

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

Cosponsors (6 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Crowley, Joseph [D-NY-14]	D · NY		Jun 27, 2017
Rep. Eshoo, Anna G. [D-CA-18]	D · CA		Jun 28, 2017
Rep. Kind, Ron [D-WI-3]	D · WI		Jun 28, 2017
Rep. Butterfield, G. K. [D-NC-1]	D · NC		Jul 13, 2017
Rep. Tiberi, Patrick J. [R-OH-12]	R · OH		Jul 13, 2017
Rep. Walorski, Jackie [R-IN-2]	R · IN		Jul 20, 2017

Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	Jun 27, 2017

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
115 HR 1	Related bill	Dec 22, 2017: Became Public Law No: 115-97.
115 S 1	Related bill	Nov 28, 2017: Placed on Senate Legislative Calendar under General Orders. Calendar No. 269.
115 S 1444	Identical bill	Jun 27, 2017: Read twice and referred to the Committee on Finance.

Empowering Employees through Stock Ownership Act

This bill amends the Internal Revenue Code to allow an employee to elect to defer, for income tax purposes, income attributable to certain stock transferred to the employee by an employer.

The employee may defer the inclusion of income from the stock until the year that includes the earliest of the dates on which:

- the stock becomes transferable;
- the employee becomes an excluded employee;
- stock of the corporation becomes readily tradable on an established securities market;
- seven years have passed after the rights of the employee in the stock are transferable or are not subject to a substantial risk of forfeiture, whichever occurs earlier; or
- the employee revokes the election with respect to the stock.

The stock must meet specified requirements and be transferred to the employee from an eligible corporation in connection with the performance of services as an employee.

A corporation is eligible if: (1) no stock of the corporation or a predecessor is readily tradable on an established securities market during any preceding year; and (2) it has a written plan under which at least 80% of certain employees are granted stock options, or restricted stock units, with the same rights and privileges to receive qualified stock.

Employees are excluded if they: (1) are a 1% owner, the chief executive officer, or the chief financial officer of the corporation or have been at any time during the 10 preceding calendar years; (2) are a family member of the specified individuals; or (3) have been one of the four highest compensated officers of the corporation during any of the 10 preceding taxable years.

Actions Timeline

- **Jun 27, 2017:** Introduced in House
- **Jun 27, 2017:** Referred to the House Committee on Ways and Means.