

## S 1639

### Ending the Carried Interest Loophole Act

**Congress:** 116 (2019–2021, Ended)

**Chamber:** Senate

**Policy Area:** Taxation

**Introduced:** May 23, 2019

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

**Latest Action:** Read twice and referred to the Committee on Finance. (May 23, 2019)

**Official Text:** <https://www.congress.gov/bill/116th-congress/senate-bill/1639>

### Sponsor

**Name:** Sen. Wyden, Ron [D-OR]

**Party:** Democratic • **State:** OR • **Chamber:** Senate

### Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Whitehouse, Sheldon [D-RI]	D · RI		May 23, 2019

### Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	May 23, 2019

### Subjects & Policy Tags

#### Policy Area:

Taxation

### Related Bills

No related bills are listed.

### Summary (as of May 23, 2019)

#### Ending the Carried Interest Loophole Act

This bill revises the tax treatment of partnership interests received in connection with the performance of services. It eliminates the concept of carried interest, a form of compensation received by certain partners in private equity, real estate, or hedge funds for investment management services. Under current law, such compensation can be deferred from taxation until income is realized by the partnership.

The bill requires partners to recognize deemed compensation received from a partnership annually, taxed at ordinary income tax rates and subject to self-employment taxation. The bill eliminates a partner's ability to defer tax on such compensation.

## **Actions Timeline**

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- **May 23, 2019:** Introduced in Senate
- **May 23, 2019:** Read twice and referred to the Committee on Finance.