

S 779

Stop Tax Haven Abuse Act

Congress: 116 (2019–2021, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Mar 13, 2019

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

Latest Action: Read twice and referred to the Committee on Finance. (Mar 13, 2019)

Official Text: <https://www.congress.gov/bill/116th-congress/senate-bill/779>

Sponsor

Name: Sen. Whitehouse, Sheldon [D-RI]

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

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Shaheen, Jeanne [D-NH]	D · NH		Mar 13, 2019

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Mar 13, 2019

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
116 S 2140	Related bill	Jul 17, 2019: Read twice and referred to the Committee on Finance. (text: CR S4911-4912)
116 HR 1711	Related bill	Mar 13, 2019: Referred to the House Committee on Ways and Means.
116 HR 1712	Identical bill	Mar 13, 2019: 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.

Stop Tax Haven Abuse Act

This bill authorizes the Department of the Treasury to impose restrictions on foreign jurisdictions or financial institutions to counter money laundering and efforts to significantly impede U.S. tax enforcement.

The bill amends the Internal Revenue Code to

- expand reporting requirements for certain foreign investments and accounts held by U.S. persons,
- establish a rebuttable presumption against the validity of transactions by institutions that do not comply with reporting requirements under the Foreign Account Tax Compliance Act,
- treat certain foreign corporations managed and controlled primarily in the United States as domestic corporations for tax purposes,
- treat swap payments sent offshore as taxable U.S. source income,
- require reporting of United States beneficial owners of foreign-owned financial accounts,
- impose additional requirements for third party summonses used to obtain information in tax investigations that do not identify the person with respect to whose liability the summons is issued (i.e., John Doe summonses), and
- modify the rules for the taxation of inverted corporations (U.S. corporations that acquire foreign companies to reincorporate in a foreign jurisdiction with income tax rates lower than the United States).

The bill amends the Securities Exchange Act of 1934 to (1) require corporations to disclose certain financial information on a country-by-country basis, and (2) impose penalties for failing to disclose offshore holdings.

The bill makes investment advisers and persons engaged in forming new business entities subject to new anti-money laundering requirements.

Actions Timeline

- **Mar 13, 2019:** Introduced in Senate
- **Mar 13, 2019:** Read twice and referred to the Committee on Finance.