

S 725

Stop Tax Haven Abuse Act

Congress: 117 (2021–2023, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Mar 11, 2021

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

Latest Action: Read twice and referred to the Committee on Finance. (Mar 11, 2021)

Official Text: <https://www.congress.gov/bill/117th-congress/senate-bill/725>

Sponsor

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

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

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Mar 11, 2021

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
117 HR 1786	Identical bill	Mar 11, 2021: 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.

Among other provisions, the bill

- expands reporting requirements for certain foreign investments and accounts held by U.S. persons,
- establishes a rebuttable presumption against the validity of transactions by institutions that do not comply with reporting requirements under the Foreign Account Tax Compliance Act,
- treats certain foreign corporations managed and controlled primarily in the United States as domestic corporations for tax purposes,
- treats swap payments sent offshore as taxable U.S. source income,
- requires corporations to disclose certain financial information on a country-by-country basis,
- imposes penalties for failing to disclose offshore holdings,
- modifies the base erosion anti-abuse tax to lower the gross receipts applicability threshold from \$500 million to \$100 million,
- makes investment advisers and persons engaged in forming new business entities subject to new anti-money laundering requirements,
- requires reporting of U. S. beneficial owners of foreign-owned financial accounts, and
- imposes 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).

Actions Timeline

- **Mar 11, 2021:** Introduced in Senate
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