

108TH CONGRESS  
1ST SESSION

# H. R. 2706

To clarify the treatment of tax attributes under section 108 of the Internal Revenue Code of 1986 for taxpayers which file consolidated returns.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 10, 2003

Mr. McCRERY (for himself, Mr. McINNIS, and Mr. MATSUI) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To clarify the treatment of tax attributes under section 108 of the Internal Revenue Code of 1986 for taxpayers which file consolidated returns.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CLARIFICATION OF THE TREATMENT OF TAX**  
4 **ATTRIBUTES.**

5 (a) IN GENERAL.—Section 108(b) of the Internal  
6 Revenue Code of 1986 (relating to reduction of tax at-  
7 tributes) is amended by adding at the end the following  
8 new paragraph:

9 “(6) AFFILIATED GROUPS.—If the tax-  
10 payer is a member of an affiliated group of cor-

1           porations which files a consolidated return  
2           under section 1501, the tax attributes described  
3           in paragraph (1) shall be the aggregate tax at-  
4           tributes of such group. The Secretary shall pre-  
5           scribe such regulations as may be necessary  
6           under section 1502 to carry out the purposes of  
7           this paragraph.”.

8           (b) EFFECTIVE DATE.—The amendment made by  
9           subsection (a) shall apply to discharges of indebtedness  
10          occurring after June 25, 2003, except that discharges of  
11          indebtedness under any plan of reorganization in a case  
12          under title 11, United States Code, shall be deemed to  
13          occur on the date such plan is confirmed.

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