

Union Calendar No. 13

114TH CONGRESS
1ST SESSION

H. R. 640

[Report No. 114–19, Part I]

To amend the Internal Revenue Code of 1986 to modify the tax rate for
excise tax on investment income of private foundations.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 2, 2015

Mr. PAULSEN (for himself and Mr. DANNY K. DAVIS of Illinois) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on the Budget, 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

FEBRUARY 9, 2015

Additional sponsors: Mr. REED and Mr. COSTELLO of Pennsylvania

FEBRUARY 9, 2015

Reported from the Committee on Ways and Means with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

FEBRUARY 9, 2015

The Committee on the Budget discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on February 2, 2015]

A BILL

To amend the Internal Revenue Code of 1986 to modify the tax rate for excise tax on investment income of private foundations.

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

3 **SEC. 1. SHORT TITLE.**

4 *This Act may be cited as the “Private Foundation Ex-*
5 *cise Tax Simplification Act of 2015”.*

6 **SECTION 2. MODIFICATION OF THE TAX RATE FOR THE EX-**
7 **CISE TAX ON INVESTMENT INCOME OF PRI-**
8 **VATE FOUNDATIONS.**

9 (a) *IN GENERAL.*—Section 4940(a) of the Internal
10 *Revenue Code of 1986 is amended by striking “2 percent”*
11 *and inserting “1 percent”.*

12 (b) *ELIMINATION OF REDUCED TAX WHERE FOUNDA-*
13 *TION MEETS CERTAIN DISTRIBUTION REQUIREMENTS.*—
14 *Section 4940 of such Code is amended by striking subsection*
15 *(e).*

16 (c) *EFFECTIVE DATE.*—*The amendments made by this*
17 *section shall apply to taxable years beginning after the date*
18 *of the enactment of this Act.*

19 **SEC. 3. BUDGETARY EFFECTS.**

20 *The budgetary effects of this Act shall not be entered*
21 *on either PAYGO scorecard maintained pursuant to section*
22 *4(d) of the Statutory Pay-As-You-Go Act of 2010.*

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