

116TH CONGRESS
2D SESSION

S. 3280

To amend the Internal Revenue Code of 1986 to clarify that high-taxed amounts are excluded from tested income for purposes of determining global intangible low-taxed income only if such amounts would be foreign base company income or insurance income.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 12, 2020

Mr. WYDEN (for himself and Mr. BROWN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to clarify that high-taxed amounts are excluded from tested income for purposes of determining global intangible low-taxed income only if such amounts would be foreign base company income or insurance income.

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. SHORT TITLE.**

4 This Act may be cited as the “Blocking New Cor-
5 porate Tax Giveaways Act”.

1 **SEC. 2. CLARIFICATION OF AMOUNTS EXCLUDED FROM**
2 **TESTED INCOME.**

3 (a) **IN GENERAL.**—Section 951A(c)(2)(A)(i)(III) of
4 the Internal Revenue Code of 1986 is amended to read
5 as follows:

6 “(III) any gross income of such
7 corporation—

8 “(aa) which, without regard
9 to section 954(b)(4), is treated as
10 foreign base company income (as
11 defined in section 954) or insur-
12 ance income (as defined in sec-
13 tion 953), but

14 “(bb) which, after the appli-
15 cation of section 954(b)(4), is not
16 so treated.”.

17 (b) **EFFECTIVE DATE.**—The amendment made by
18 this section shall apply to taxable years of foreign corpora-
19 tions beginning on or after the date of the enactment of
20 this Act, and to taxable years of United States share-
21 holders in which or with which such taxable years of for-
22 eign corporations end.

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