

103^D CONGRESS
1ST SESSION

H. R. 3369

To amend the Internal Revenue Code of 1986 to exempt certain Small Business Administration financing from the provisions of section 514 of such Code.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 26, 1993

Mr. RANGEL introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to exempt certain Small Business Administration financing from the provisions of section 514 of such Code.

1 *Be it enacted by the Senate and House of Representa-*

2 *tives of the United States of America in Congress assembled,*

3 That (a) subsection (c) of section 514 of the Internal Rev-

4 enue Code of 1986 (defining acquisition indebtedness) is

5 amended by adding at the end thereof the following new

6 paragraph:

7 “(10) CERTAIN SBA FINANCING.—For purposes

8 of this section, the term ‘acquisition indebtedness’

9 does not include any participating or other security

1 (including debentures) issued by a small business in-
2 vestment company licensed pursuant to section
3 301(c), or operating under the authority of section
4 301(d), of the Small Business Investment Act of
5 1958, as amended, but only if such security is pur-
6 chased or guaranteed, or is part of a pool or trust
7 with respect to which trust certificates are guaran-
8 teed, by the Small Business Administration under
9 such Act.”

10 (b) The amendment made by subsection (a) shall
11 apply to taxable years beginning after the date of the en-
12 actment of this Act.

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