

113TH CONGRESS
2D SESSION

H. R. 4691

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

MAY 20, 2014

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

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 **SECTION 1. MODIFICATION OF THE TAX RATE FOR THE EX-**
4 **CISE TAX ON INVESTMENT INCOME OF PRI-**
5 **VATE FOUNDATIONS.**

6 (a) IN GENERAL.—Section 4940(a) of the Internal
7 Revenue Code of 1986 is amended by striking “2 percent”
8 and inserting “1 percent”.

9 (b) ELIMINATION OF REDUCED TAX WHERE FOUN-
10 DATION MEETS CERTAIN DISTRIBUTION REQUIRE-

1 MENTS.—Section 4940 of such Code is amended by strik-
2 ing subsection (e).

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

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