

107TH CONGRESS
1ST SESSION

H. R. 1515

To amend the Internal Revenue Code of 1986 to clarify the treatment for foreign tax credit limitation purposes of certain transfers of intangible property.

IN THE HOUSE OF REPRESENTATIVES

APRIL 4, 2001

Mr. SHAW 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 clarify the treatment for foreign tax credit limitation purposes of certain transfers of intangible property.

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 TREATMENT OF CERTAIN**
4 **TRANSFERS OF INTANGIBLE PROPERTY.**

5 (a) IN GENERAL.—Subparagraph (C) of section
6 367(d)(2) of the Internal Revenue Code of 1986 is amend-
7 ed by adding at the end the following new sentence: “For
8 purposes of applying the foreign tax credit limitation cat-

1 egories of section 904(d), any such amount shall be treat-
2 ed in the same manner as if such amount were a royalty.”

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 this section shall apply to amounts treated as received pur-
5 suant to section 367(d)(2) of the Internal Revenue Code
6 of 1986 on or after August 5, 1997.

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