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113TH CONGRESS
2D SESSION

H. R. 4647

To amend the Internal Revenue Code of 1986 to increase the alternative tax liability limitation for small property and casualty insurance companies.

IN THE HOUSE OF REPRESENTATIVES

MAY 9, 2014

Mr. PAULSEN (for himself, Mr. SCHOCK, and Mr. KIND) introduced the following bill; which was referred to the Committee on Ways and Means

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A BILL

To amend the Internal Revenue Code of 1986 to increase the alternative tax liability limitation for small property and casualty insurance companies.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN LIMITATION FOR ALTERNATIVE TAX LIABILITY FOR SMALL PROPERTY AND CASUALTY INSURANCE COMPANIES.

(a) IN GENERAL.—Clause (i) of section 831(b)(2)(A) of the Internal Revenue Code of 1986 is amended to read as follows:

"(i) the net written premiums (or, if greater, direct written premiums) for the

taxable year do not exceed $2,025,000, and''.

(b) INFLATION ADJUSTMENT.—Paragraph (2) of section 831(b) of such Code is amended by adding at the end the following new subparagraph:

''(C) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2014, the dollar amount set forth in subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2013' for 'calendar year 1992' in subparagraph (B) thereof.

If the amount as adjusted under the preceding sentence is not a multiple of $1,000, such amount shall be rounded to the next lowest multiple of $1,000.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

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