

105TH CONGRESS
1ST SESSION

H. R. 1205

To amend the Internal Revenue Code of 1986 to treat distributions from publicly traded partnerships as qualifying income of regulated investment companies.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 1997

Mr. THOMAS (for himself and Mr. CRANE) 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 treat distributions from publicly traded partnerships as qualifying income of regulated investment companies.

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. DISTRIBUTIONS FROM PUBLICLY TRADED**
4 **PARTNERSHIPS TREATED AS QUALIFYING IN-**
5 **COME OF REGULATED INVESTMENT COMPA-**
6 **NIES.**

7 (a) IN GENERAL.—Paragraph (2) of section 851(b)
8 of the Internal Revenue Code of 1986 (defining regulated
9 investment company) is amended by inserting “distribu-

1 tions or other income derived from a publicly traded part-
2 nership (as defined in section 7704(b),” after “dividends,
3 interest,”.

4 (b) SOURCE FLOW-THROUGH RULE NOT TO
5 APPLY.—The next to the last sentence of section 851(b)
6 of such Code is amended by inserting “(other than a pub-
7 licly traded partnership (as defined in section 7704(b)))”
8 after “derived from a partnership”.

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

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