

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.

○