

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2180

To amend the Internal Revenue Code of 1986 to provide for the proper tax treatment of variable contracts issued by life insurance companies subject to the laws of Puerto Rico.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 5, 2005

Mr. FORTUÑO 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 provide for the proper tax treatment of variable contracts issued by life insurance companies subject to the laws of Puerto Rico.

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. TAX TREATMENT OF VARIABLE CONTRACTS**  
4                   **ISSUED BY LIFE INSURANCE COMPANIES**  
5                   **SUBJECT TO THE LAWS OF PUERTO RICO.**

6       (a) IN GENERAL.—Paragraph (1) of section 817(d)  
7 of the Internal Revenue Code of 1986 (relating to variable  
8 contract defined) is amended by striking “pursuant to

1 State law or regulation” and inserting “pursuant to the  
2 law or regulation of a State or Puerto Rico”.

3 (b) **EFFECTIVE DATE.**—The amendment made by  
4 this section shall apply to contracts issued after the date  
5 of the enactment of this Act.

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