

111TH CONGRESS  
2D SESSION

# H. R. 4663

To amend the Internal Revenue Code of 1986 to provide for a permanent exclusion of all gain on certain small business stock.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 23, 2010

Ms. KOSMAS 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 a permanent exclusion of all gain on certain small business stock.

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. SHORT TITLE.**

4       This Act may be cited as the “Enhancing Investment  
5       in Small Businesses Act of 2010”.

6       **SEC. 2. PERMANENT EXCLUSION OF ALL GAIN ON CERTAIN**  
7       **SMALL BUSINESS STOCK.**

8       (a) IN GENERAL.—Subsection (a) of section 1202 of  
9       the Internal Revenue Code of 1986 (relating partial exclu-

1 sion for gain from certain small business stock) is amend-  
 2 ed to read as follows:

3 “(a) **EXCLUSION.**—In the case of a taxpayer other  
 4 than a corporation, gross income shall not include any  
 5 gain from the sale or exchange of qualified small business  
 6 stock held for more than 5 years.”.

7 (b) **CONFORMING AMENDMENTS.**—

8 (1) Section 1(h) of such Code is amended—

9 (A) in paragraph (4) by amending sub-  
 10 paragraph (A) to read as follows:

11 “(A) collectibles gain, over”; and

12 (B) by striking paragraph (7).

13 (2) Section 57(a) of such Code is amended by  
 14 striking paragraph (7).

15 (3) The heading for section 1202 of such Code  
 16 is amended by striking “**PARTIAL**”.

17 (4) The item relating to section 1202 in the  
 18 table of sections for part I of subchapter P of chap-  
 19 ter 1 of such Code is amended by striking “Partial  
 20 exclusion” and inserting “Exclusion”.

21 (c) **EFFECTIVE DATE.**—The amendments made by  
 22 this section shall apply to stock acquired after February  
 23 17, 2009.

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