

111TH CONGRESS
2D SESSION

H. R. 5277

To amend the Internal Revenue Code of 1986 to allow a business credit
for small business loans.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2010

Mr. WILSON of Ohio 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 allow a
business credit for small business loans.

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 “Small Business Lend-
5 ing Incentive Program Act of 2010”.

6 **SEC. 2. CREDIT FOR SMALL BUSINESS LOANS.**

7 (a) IN GENERAL.—Subpart D of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 (relating to business related credits) is amended by
10 adding at the end the following new section:

1 **“SEC. 45S. SMALL BUSINESS LOANS.**

2 “(a) GENERAL RULE.—For purposes of section 38,
3 the small business loan credit for any taxable year is an
4 amount equal to 1 percent of aggregate qualified loans
5 made during the taxable year.

6 “(b) LIMITATION.—The number of qualified loans
7 taken into account under subsection (a) for a taxable year
8 may not exceed 20.

9 “(c) DEFINITIONS.—For purposes of this section—

10 “(1) QUALIFIED LOAN.—The term ‘qualified
11 loan’ means a loan made by an eligible bank to a
12 small business concern, the principal amount of
13 which does not exceed \$500,000.

14 “(2) SMALL BUSINESS CONCERN.—The term
15 ‘small business concern’ has the same meaning as
16 such term has under section 3 of the Small Business
17 Act (15 U.S.C. 632).

18 “(3) ELIGIBLE BANK.—The term ‘eligible bank’
19 means a bank the total assets of which at the close
20 of the preceding taxable year do not exceed
21 \$10,000,000,000.

22 “(4) BANK.—The term ‘bank’ means—

23 “(A) a bank (as defined in section 581),

24 “(B) a bank holding company (as defined
25 in section 2(a) of the Bank Holding Company
26 Act of 1956 (12 U.S.C. 1841(a))),

1 “(C) a savings association (as defined in
 2 section 3(b) of the Federal Deposit Insurance
 3 Act (12 U.S.C. 1813)), and

4 “(D) a savings and loan holding company
 5 (as defined in section 10(a)(1)(D) of the Home
 6 Owners Loan Act).

7 “(d) TERMINATION.—This section shall not apply to
 8 loans made after the first 2 taxable years beginning on
 9 the date of the enactment of this section.”.

10 (b) CREDIT ALLOWED AS PART OF GENERAL BUSI-
 11 NESS CREDIT.—Section 38(b) of such Code (defining cur-
 12 rent year business credit) is amended by striking “plus”
 13 at the end of paragraph (34), by striking the period at
 14 the end of paragraph (35) and inserting “, plus”, and by
 15 adding at the end the following new paragraph:

16 “(37) the small business loan credit determined
 17 under section 45S.”.

18 (c) CONFORMING AMENDMENT.—The table of sec-
 19 tions for subpart D of part IV of subchapter A of chapter
 20 1 of such Code is amended by adding at the end the fol-
 21 lowing new item:

“Sec. 45S. Small business loans.”.

22 (d) EFFECTIVE DATE.—The amendments made by
 23 this section shall apply to taxable years beginning after
 24 the date of enactment of this Act.