

114TH CONGRESS
1ST SESSION

H. R. 1788

To amend the Internal Revenue Code of 1986 to increase the alternative tax liability limitation for small property and casualty insurance companies.

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2015

Mr. PAULSEN (for himself and Mr. KIND) 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 increase the alternative tax liability limitation for small property and casualty insurance 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. INCREASE IN LIMITATION FOR ALTERNATIVE**
4 **TAX LIABILITY FOR SMALL PROPERTY AND**
5 **CASUALTY INSURANCE COMPANIES.**

6 (a) IN GENERAL.—Clause (i) of section 831(b)(2)(A)
7 of the Internal Revenue Code of 1986 is amended to read
8 as follows:

9 “(i) the net written premiums (or, if
10 greater, direct written premiums) for the

1 taxable year do not exceed \$2,200,000,
2 and”.

3 (b) INFLATION ADJUSTMENT.—Paragraph (2) of sec-
4 tion 831(b) of such Code is amended by adding at the
5 end the following new subparagraph:

6 “(C) INFLATION ADJUSTMENT.—In the
7 case of any taxable year beginning in a calendar
8 year after 2015, the dollar amount set forth in
9 subparagraph (A) shall be increased by an
10 amount equal to—

11 “(i) such dollar amount, multiplied by

12 “(ii) the cost-of-living adjustment de-
13 termined under section 1(f)(3) for such
14 calendar year by substituting ‘calendar
15 year 2014’ for ‘calendar year 1992’ in sub-
16 paragraph (B) thereof.

17 If the amount as adjusted under the preceding
18 sentence is not a multiple of \$1,000, such
19 amount shall be rounded to the next lowest
20 multiple of \$1,000.”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2014.

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