

114TH CONGRESS
1ST SESSION

S. 1023

To amend the Internal Revenue Code to provide a refundable credit for costs associated with Information Sharing and Analysis Organizations.

IN THE SENATE OF THE UNITED STATES

APRIL 21, 2015

Mr. MORAN (for himself and Mrs. GILLIBRAND) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code to provide a refundable credit for costs associated with Information Sharing and Analysis Organizations.

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. CYBERSECURITY INFORMATION SHARING**
4 **CREDIT.**

5 (a) IN GENERAL.—Subpart C of part IV of sub-
6 chapter A of chapter 1 of the Internal Revenue Code of
7 1986 is amended by inserting after section 36B the fol-
8 lowing new section:

1 **“SEC. 36C. CYBERSECURITY INFORMATION SHARING CRED-**
 2 **IT.**

3 “(a) IN GENERAL.—There shall be allowed as a cred-
 4 it against the tax imposed by this subtitle for any taxable
 5 year an amount equal to the qualified cybersecurity infor-
 6 mation sharing organization costs paid or incurred by the
 7 taxpayer during such taxable year.

8 “(b) QUALIFIED CYBERSECURITY INFORMATION
 9 SHARING ORGANIZATION COSTS.—For purposes of this
 10 section—

11 “(1) IN GENERAL.—The term ‘qualified cyber-
 12 security information sharing organization costs’
 13 means the sum of—

14 “(A) dues for membership in a designated
 15 cybersecurity information sharing organization,

16 “(B) personnel participation costs,

17 “(C) product and service costs directly re-
 18 lated to the sharing of information with a des-
 19 ignated cybersecurity information sharing orga-
 20 nization, and

21 “(D) other amounts (not including
 22 amounts for travel) relating to participation in
 23 activities of the designated cybersecurity infor-
 24 mation sharing organization.

25 “(2) PERSONNEL PARTICIPATION COSTS.—The
 26 term ‘personnel participation costs’ means the cost

1 associated with the time that employees of the tax-
2 payer spend participating in activities of a des-
3 ignated cybersecurity information sharing organiza-
4 tion on behalf of the taxpayer, determined on the
5 basis of the regular hourly compensation paid to
6 each such employee.

7 “(3) DESIGNATED CYBERSECURITY INFORMA-
8 TION SHARING ORGANIZATION.—The term ‘des-
9 ignated cybersecurity information sharing organiza-
10 tion’ means—

11 “(A) an Information Sharing and Analysis
12 Organization (as defined in section 212(5) of
13 the Homeland Security Act of 2002 (6 U.S.C.
14 131(5))),

15 “(B) a local, regional, or State fusion cen-
16 ter (as defined in section 210A(j)(1) of such
17 Act (6 U.S.C. 124h(j)(1))), or

18 “(C) an organization that has been identi-
19 fied by the Secretary as such in consultation
20 with the Secretary of Homeland Security,

21 that shares cyber-threat information in a structured
22 format and standardized language designated by the
23 Secretary of Homeland Security through a set of
24 services and message exchanges to enable automated
25 and near-instantaneous sharing of actionable cyber-

1 threat information across organizations and sys-
2 tems.”.

3 (b) CONFORMING AMENDMENT.—Paragraph (2) of
4 section 1324(b) of title 31, United States Code, is amend-
5 ed by inserting “, 36C” after “36B”.

6 (c) CLERICAL AMENDMENT.—The table of sections
7 for subpart C of part IV of subchapter A of chapter 1
8 of the Internal Revenue Code of 1986 is amended by in-
9 serting after the item relating to section 36B the following
10 new item:

“Sec. 36C. Information sharing and analysis organization credit.”.

11 (d) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to amounts paid or incurred after
13 December 31, 2014.

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