

115TH CONGRESS
2D SESSION

H. R. 4748

To amend the Internal Revenue Code of 1986 to deny a deduction for severance payments made in connection with sexual misconduct.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 9, 2018

Mrs. CAROLYN B. MALONEY of New York (for herself, Mr. ESPAILLAT, Mrs. DEMINGS, Ms. NORTON, Mr. SUOZZI, and Mr. KHANNA) 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 deny a deduction for severance payments made in connection with sexual misconduct.

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. DENIAL OF DEDUCTION FOR SEVERANCE PAY-**
4 **MENTS MADE IN CONNECTION WITH SEXUAL**
5 **MISCONDUCT.**

6 (a) IN GENERAL.—Section 162 of the Internal Rev-
7 enue Code of 1986 is amended by redesignating subsection
8 (q) as subsection (r) and by inserting after subsection (p)
9 the following new subsection:

1 “(q) DENIAL OF DEDUCTION FOR SEVERANCE PAY-
2 MENTS MADE IN CONNECTION WITH SEXUAL MIS-
3 CONDUCT.—No deduction shall be allowed under this
4 chapter for any amount paid or incurred to any employee
5 in connection with the termination of employment of such
6 employee if a factor in such termination was sexual as-
7 sault, sexual harassment, or any other sexual misconduct
8 by such employee.”.

9 (b) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to amounts paid or incurred in tax-
11 able years ending after the date of the enactment of this
12 Act.

○