

116TH CONGRESS
1ST SESSION

S. 422

To amend the Internal Revenue Code of 1986 to allow deductions and credits relating to expenditures in connection with marijuana sales conducted in compliance with State law.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 7, 2019

Mr. WYDEN (for himself, Mr. PAUL, Mr. BENNET, and Mrs. MURRAY) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow deductions and credits relating to expenditures in connection with marijuana sales conducted in compliance with State law.

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 Tax
5 Equity Act of 2019”.

1 **SEC. 2. ALLOWANCE OF DEDUCTIONS AND CREDITS RELAT-**
2 **ING TO EXPENDITURES IN CONNECTION**
3 **WITH MARIJUANA SALES CONDUCTED IN**
4 **COMPLIANCE WITH STATE LAW.**

5 (a) IN GENERAL.—Section 280E of the Internal Rev-
6 enue Code of 1986 is amended by inserting before the pe-
7 riod at the end the following: “, unless such trade or busi-
8 ness consists of marijuana sales conducted in compliance
9 with State law”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply with respect to taxable years end-
12 ing after the date of the enactment of this Act.

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