

SA 2522. Mr. REID proposed an amendment to amendment SA 2521 proposed by Mr. REID (for Ms. LANDRIEU) to the bill S. 2237, supra.

SA 2523. Mr. REID proposed an amendment to amendment SA 2522 proposed by Mr. REID to the amendment SA 2521 proposed by Mr. REID (for Ms. LANDRIEU) to the bill S. 2237, supra.

SA 2524. Mr. REID proposed an amendment to the bill S. 2237, supra.

SA 2525. Mr. REID proposed an amendment to amendment SA 2524 proposed by Mr. REID to the bill S. 2237, supra.

SA 2526. Mr. REID proposed an amendment to the bill S. 2237, supra.

SA 2527. Mr. REID proposed an amendment to amendment SA 2526 proposed by Mr. REID to the bill S. 2237, supra.

SA 2528. Mr. REID proposed an amendment to amendment SA 2527 proposed by Mr. REID to the amendment SA 2526 proposed by Mr. REID to the bill S. 2237, supra.

SA 2529. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2530. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

SA 2531. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill S. 2237, supra; which was ordered to lie on the table.

#### TEXT OF AMENDMENTS

**SA 2508.** Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. . . . POINT OF ORDER ON LEGISLATION THAT RAISES INCOME TAX RATES ON SMALL BUSINESSES.**

(a) POINT OF ORDER.—

(1) IN GENERAL.—In the Senate, it shall not be in order to consider any bill, joint resolution, amendment, motion, or conference report that includes any provision which increases Federal income tax rates.

(2) DEFINITION.—In this section, the term “Federal income tax rates” means any rate of tax under—

(A) subsection (a), (b), (c), (d), or (e) of section 1 of the Internal Revenue Code of 1986,

(B) section 11(b) of such Code, or

(C) section 55(b) of such Code.

(b) SUPERMAJORITY WAIVER AND APPEALS.—

(1) WAIVER.—This section may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) APPEALS.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

**SA 2509.** Mr. HATCH (for himself, Mr. BROWN of Massachusetts, Mr. TOOMEY, Mr. RISCH, Mr. PORTMAN, Mr. ROBERTS, Mr. ISAKSON, Mr. JOHANNIS, Mr. COATS, Mr. KIRK, Ms. COLLINS, Mrs. HUTCHINSON, Mr. KYL, Mr. BARRASSO, Mr. MCCAIN, Mr. COBURN, Mr. BURR, Ms. AYOTTE, Mr. RUBIO, Mr. LUGAR, Mr. CRAPO, Mr. CORNYN, Mr. INHOFE, Mr. ALEXANDER, Mr. HELLER, Mr. BOOZMAN, Mr. GRAHAM, Mr. HOEVEN, Mr. THUNE, and Mr. WICKER) submitted an amend-

ment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the first word and insert the following:

**1. REPEAL OF MEDICAL DEVICE EXCISE TAX.**

(a) IN GENERAL.—Chapter 32 of the Internal Revenue Code of 1986 is amended by striking subchapter E.

(b) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 4221 of such Code is amended by striking the last sentence.

(2) Paragraph (2) of section 6416(b) of such Code is amended by striking the last sentence.

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 32 of such Code is amended by striking the item relating to subchapter E.

**SA 2510.** Mr. HATCH (for himself, Mr. JOHANNIS, Mr. RISCH, Mr. PORTMAN, Mr. ROBERTS, Mr. ISAKSON, Mr. COATS, Mr. KIRK, Ms. COLLINS, Mrs. HUTCHISON, Mr. KYL, Mr. BARRASSO, Mr. MCCAIN, Mr. COBURN, Mr. BURR, Mr. COCHRAN, Mr. RUBIO, Mr. CRAPO, Mr. CORNYN, Mr. INHOFE, Mr. ALEXANDER, Mr. HELLER, Mr. BOOZMAN, Mr. GRAHAM, Mr. HOEVEN, Mr. THUNE, and Mr. WICKER) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the first word and insert the following:

**1. REPEAL OF TAX ON INDIVIDUALS WHO FAIL TO MAINTAIN MINIMUM ESSENTIAL COVERAGE.**

Section 5000A of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(h) TERMINATION.—This section shall not apply with respect to any month beginning after the date of the enactment of this subsection.”.

**SA 2511.** Mr. BARRASSO submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE II—GRAZING IMPROVEMENT ACT OF 2012**

**SEC. 201. SHORT TITLE.**

This title may be cited as the “Grazing Improvement Act of 2012”.

**SEC. 202. TERMS OF GRAZING PERMITS AND LEASES.**

Section 402 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1752) is amended—

(1) by striking “ten years” each place it appears and inserting “20 years”; and

(2) in subsection (b)—

(A) by striking “or” at the end of each of paragraphs (1) and (2);

(B) in paragraph (3), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(4) the initial environmental analysis under National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) regarding a grazing allotment, permit, or lease has not been completed.”.

**SEC. 203. RENEWAL, TRANSFER, AND REISSUANCE OF GRAZING PERMITS AND LEASES.**

Title IV of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751 et seq.) is amended by adding at the end the following:

**“SEC. 405. RENEWAL, TRANSFER, AND REISSUANCE OF GRAZING PERMITS AND LEASES.**

“(a) DEFINITIONS.—In this section:

“(1) CURRENT GRAZING MANAGEMENT.—The term ‘current grazing management’ means grazing in accordance with the terms and conditions of an existing permit or lease and includes any modifications that are consistent with an applicable Department of Interior resource management plan or Department of Agriculture land use plan.

“(2) SECRETARY CONCERNED.—The term ‘Secretary concerned’ means—

“(A) the Secretary of Agriculture, with respect to National Forest System land; and

“(B) the Secretary of the Interior, with respect to land under the jurisdiction of the Department of the Interior.

“(b) RENEWAL, TRANSFER, REISSUANCE, AND PENDING PROCESSING.—A grazing permit or lease issued by the Secretary of the Interior, or a grazing permit issued by the Secretary of Agriculture regarding National Forest System land, that expires, is transferred, or is waived shall be renewed or reissued under, as appropriate—

“(1) section 402;

“(2) section 19 of the Act of April 24, 1950 (commonly known as the ‘Granger-Thye Act’; 16 U.S.C. 5801);

“(3) title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010 et seq.); or

“(4) section 510 the California Desert Protection Act of 1994 (16 U.S.C. 410aaa–50).

“(c) TERMS; CONDITIONS.—The terms and conditions (except the termination date) contained in an expired, transferred, or waived permit or lease described in subsection (b) shall continue in effect under a renewed or reissued permit or lease until the date on which the Secretary concerned completes the processing of the renewed or reissued permit or lease that is the subject of the expired, transferred, or waived permit or lease, in compliance with each applicable law.

“(d) CANCELLATION; SUSPENSION; MODIFICATION.—Notwithstanding subsection (c), a permit or lease described in subsection (b) may be cancelled, suspended, or modified in accordance with applicable law.

“(e) RENEWAL TRANSFER REISSUANCE AFTER PROCESSING.—When the Secretary concerned has completed the processing of the renewed or reissued permit or lease that is the subject of the expired, transferred, or waived permit or lease, the Secretary concerned may renew or reissue the permit or lease for a term of 20 years after completion of processing.

“(f) COMPLIANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—The renewal, reissuance, or transfer of a grazing permit or lease by the Secretary concerned may, at their sole discretion, be categorically excluded from the requirement to prepare an environmental assessment or an environmental impact statement if—

“(1) the decision to renew, reissue, or transfer continues the current grazing management of the allotment;

“(2) monitoring of the allotment has indicated that the current grazing management has met, or has satisfactorily progressed towards meeting, objectives contained in the

land use and resource management plan of the allotment, as determined by the Secretary concerned; or

“(3) the decision is consistent with the policy of the Department of the Interior or the Department of Agriculture, as appropriate, regarding extraordinary circumstances.

“(g) PRIORITY AND TIMING FOR COMPLETING ENVIRONMENTAL ANALYSES.—The Secretary concerned, in the sole discretion of the Secretary concerned, shall determine the priority and timing for completing each required environmental analysis regarding any grazing allotment, permit, or lease based on the environmental significance of the allotment, permit, or lease and available funding for that purpose.

“(h) NEPA EXEMPTIONS.—The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall not apply to the following:

“(1) Crossing and trailing authorizations of domestic livestock.

“(2) Transfer of grazing preference.”.

**SA 2512.** Mr. BROWN of Ohio submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. . . . SMALL BUSINESS HUBZONES.**

(a) DEFINITION.—In this section, the term “covered base closure area” means a base closure area that, on or before the date of enactment of this Act, was treated as a HUBZone for purposes of the Small Business Act (15 U.S.C. 631 et seq.) pursuant to section 152(a)(2) of the Small Business Reauthorization and Manufacturing Assistance Act of 2004 (15 U.S.C. 632 note).

(b) TREATMENT AS HUBZONE.—A covered base closure area shall be treated as a HUBZone for purposes of the Small Business Act (15 U.S.C. 631 et seq.) during the 5-year period beginning on the date of enactment of this Act.

**SA 2513.** Mr. BROWN of Ohio (for himself and Mr. CASEY) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE . . . —21ST CENTURY INVESTMENT**

**SEC. . . . 1. SHORT TITLE.**

This title may be cited as the “21st Century Investment Act of 2012”.

**SEC. . . . 2. RESEARCH CREDIT MADE PERMANENT.**

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 is amended by striking subsection (h).

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 45C(b) of such Code is amended by striking subparagraph (D).

(c) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2011.

**SEC. . . . 3. INCREASE IN SIMPLIFIED RESEARCH CREDIT.**

(a) IN GENERAL.—Subparagraph (A) of section 41(c)(5) of the Internal Revenue Code of 1986 is amended by striking “14 percent (12 percent in the case of taxable years ending before January 1, 2009)” and inserting “20 percent”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2011.

**SEC. . . . 4. INCREASE IN RESEARCH CREDIT FOR RESEARCH WITH UNITED STATES BUSINESSES.**

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986, as amended by section 2 of this Act, is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

“(h) SPECIAL RULE FOR RESEARCH WITH UNITED STATES MANUFACTURING BUSINESS.—

“(1) IN GENERAL.—If the taxpayer elects the application of this subsection, subsection (a)(1) shall be applied by substituting ‘25 percent’ for ‘20 percent’ with respect to qualified United States research expenses.

“(2) QUALIFIED UNITED STATES RESEARCH EXPENSES.—For purposes of this subsection, the term ‘qualified United States research expenses’ means qualified research expenses for qualified research, substantially all of which occurs in the United States.

“(3) SEPARATE APPLICATION OF SECTION.—In the case of any election of the application of this subsection, this section shall be applied separately with respect qualified United States research expenses.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred for taxable years beginning after the date of the enactment of this Act.

**SEC. . . . 5. INCREASE IN DOMESTIC PRODUCTION ACTIVITIES DEDUCTION FOR MANUFACTURED PROPERTY RESEARCHED AND DEVELOPED IN UNITED STATES.**

(a) IN GENERAL.—Subsection (d) of section 199 of the Internal Revenue Code of 1986 is amended by redesignating paragraph (10) as paragraph (11) and by inserting after paragraph (9) the following new paragraph:

“(10) SPECIAL RULE FOR CERTAIN MANUFACTURING.—

“(A) IN GENERAL.—In the case qualified production activities income attributable to the manufacture or production of qualifying production property substantially all of the research and development of which occurred in the United States, subsection (a) shall be applied by substituting ‘15 percent’ for ‘9 percent’.

“(B) SPECIAL RULE WHEN TAXABLE INCOME USED TO DETERMINE DEDUCTION.—In the case of any taxable year for which the taxpayer’s qualified production activities income exceeds the taxpayer’s taxable income (determined without regard to this section), the amount of taxable income to which the 15 percent amount in subparagraph (A) applies under subsection (a)(1) shall be an amount equal to the amount which bears the same ratio to such taxable income (as so determined) as—

“(i) the amount of qualified production activities income of the taxpayer for the taxable year which is attributable to the manufacture or production of qualifying production property substantially all of the research and development with respect to which occurred in the United States, bears to

“(ii) all qualified production activities income of the taxpayer for the taxable year.

“(C) TERMINATION.—This paragraph shall not apply to taxable years beginning after December 31, 2020.”.

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

**SA 2514.** Mr. THUNE (for himself, Mr. ROBERTS, Mr. BLUNT, and Mr. KYL) submitted an amendment intended to be proposed by him to the bill S. 2237, to

provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 2.

**SA 2515.** Mr. BENNET (for himself, Mr. MORAN, Mr. UDALL of Colorado, and Mr. TESTER) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. . . . EXTENSION OF CREDITS FOR WIND FACILITIES.**

(a) PRODUCTION TAX CREDIT.—Paragraph (1) of section 45(d) of the Internal Revenue Code of 1986 is amended by striking “January 1, 2013” and inserting “January 1, 2015”.

(b) INVESTMENT TAX CREDIT.—Clause (i) of section 48(a)(5)(C) of the Internal Revenue Code of 1986 is amended by striking “or 2012” and inserting “2012, 2013, or 2014”.

(c) CONFORMING AMENDMENT.—Paragraph (1) of section 1603(e) of division B of the American Recovery and Reinvestment Act of 2009 is amended by striking “January 1, 2013” and inserting “January 1, 2015”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to facilities placed in service after December 31, 2012.

**SEC. . . . DELAY IN APPLICATION OF WORLD-WIDE INTEREST.**

(a) IN GENERAL.—Paragraphs (5)(D) and (6) of section 864(f) of the Internal Revenue Code of 1986 are each amended by striking “December 31, 2020” and inserting “December 31, 2022”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SA 2516.** Mr. FRANKEN (for himself and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. . . . EXTENSION OF TIME FOR MAKING S CORPORATION ELECTIONS.**

(a) IN GENERAL.—Subsection (b) of section 1362 of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) WHEN MADE.—

“(1) RULES FOR NEW CORPORATIONS.—Except as provided in paragraph (2)—

“(A) IN GENERAL.—An election under subsection (a) may be made by a small business corporation for any taxable year at any time during the period—

“(i) beginning on the first day of the taxable year for which made, and

“(ii) ending on the due date (with extensions) for filing the return for the taxable year.

“(B) CERTAIN ELECTIONS TREATED AS MADE FOR NEXT TAXABLE YEAR.—If—

“(i) an election under subsection (a) is made for any taxable year within the period described in subparagraph (A), but

“(ii) either—

“(I) on 1 or more days in such taxable year and before the day on which the election was made the corporation did not meet the requirements of subsection (b) of section 1361, or

“(II) 1 or more of the persons who held stock in the corporation during such taxable year and before the election was made did not consent to the election, then such election shall be treated as made for the following taxable year.

“(C) ELECTION MADE AFTER DUE DATE TREATED AS MADE FOR FOLLOWING TAXABLE YEAR.—If—

“(i) a small business corporation makes an election under subsection (a) for any taxable year, and

“(ii) such election is made after the due date (with extensions) for filing the return for such year and on or before the due date (with extensions) for filing the return for the following taxable year,

then such election shall be treated as made for the following taxable year.

“(2) RULES FOR EXISTING C CORPORATIONS.—In the case of any small business corporation which was a C corporation for the taxable year prior to the taxable year for which the election is made under subsection (a), the rules under this paragraph shall apply in lieu of the rules under paragraph (1):

“(A) IN GENERAL.—An election under subsection (a) may be made by a small business corporation for any taxable year—

“(i) at any time during the preceding taxable year, or

“(ii) at any time during the taxable year and on or before the 15th day of the 3d month of the taxable year.

“(B) CERTAIN ELECTIONS MADE DURING 1ST 2½ MONTHS TREATED AS MADE FOR NEXT TAXABLE YEAR.—If—

“(i) an election under subsection (a) is made for any taxable year during such year and on or before the 15th day of the 3d month of such year, but

“(ii) either—

“(I) on 1 or more days in such taxable year and before the day on which the election was made the corporation did not meet the requirements of subsection (b) of section 1361, or

“(II) 1 or more of the persons who held stock in the corporation during such taxable year and before the election was made did not consent to the election,

then such election shall be treated as made for the following taxable year.

“(C) ELECTION MADE AFTER 1ST 2½ MONTHS TREATED AS MADE FOR FOLLOWING TAXABLE YEAR.—If—

“(i) a small business corporation makes an election under subsection (a) for any taxable year, and

“(ii) such election is made after the 15th day of the 3d month of the taxable year and on or before the 15th day of the 3rd month of the following taxable year,

then such election shall be treated as made for the following taxable year.

“(D) TAXABLE YEARS OF 2½ MONTHS OR LESS.—For purposes of this paragraph, an election for a taxable year made not later than 2 months and 15 days after the first day of the taxable year shall be treated as timely made during such year.

“(3) AUTHORITY TO TREAT LATE ELECTIONS, ETC., AS TIMELY.—If—

“(A) an election under subsection (a) is made for any taxable year after the date prescribed by this subsection for making such election for such taxable year or no such election is made for any taxable year, and

“(B) the Secretary determines that there was reasonable cause for the failure to timely make such election,

the Secretary may treat such an election as timely made for such taxable year.

“(4) MANNER OF ELECTION.—Elections may be made at any time as provided in this subsection by filing a form prescribed by the Secretary. For purposes of any election described under paragraph (1), the Secretary

shall provide that the election may be made on any timely filed small business corporation return for such taxable year, with the consents of all persons who held stock in the corporation during such taxable year included therewith.

“(5) SECRETARIAL AUTHORITY.—The Secretary may prescribe such regulations, rules, or other guidance as may be necessary or appropriate for purposes of applying this subsection.”

(b) REVOCATIONS.—Paragraph (1) of section 1362(d) of the Internal Revenue Code of 1986 is amended—

(1) by striking “subparagraph (D)” in subparagraph (C) and inserting “subparagraphs (D) and (E)”, and

(2) by adding at the end the following new subparagraph:

“(E) AUTHORITY TO TREAT LATE REVOCATIONS AS TIMELY.—If—

“(i) a revocation under subparagraph (A) is made for any taxable year after the date prescribed by this paragraph for making such revocation for such taxable year or no such revocation is made for any taxable year, and

“(ii) the Secretary determines that there was reasonable cause for the failure to timely make such revocation,

the Secretary may treat such a revocation as timely made for such taxable year.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to elections for taxable years beginning after the date of the enactment of this Act.

**SA 2517.** Mr. BEGICH submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ ELECTION FOR SMALL BUSINESSES TO EXPENSE DEPRECIABLE PROPERTY.**

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 179E the following new section:

“**SEC. 179F. ELECTION FOR SMALL BUSINESSES TO EXPENSE CERTAIN DEPRECIABLE PROPERTY.**

“(a) IN GENERAL.—An eligible small business may elect to treat the cost of any qualified property as an expense which is not chargeable to a capital account.

“(b) ELIGIBLE SMALL BUSINESS.—For purposes of this section—

“(1) IN GENERAL.—The term ‘eligible small business’ means, with respect to any taxable year, any trade or business the net profit of which does not exceed \$1,000,000.

“(2) NET PROFIT.—The term ‘net profit’ means the excess of the aggregate gross receipts over the sum of—

“(A) the costs of goods sold which are allocable to such receipts, and

“(B) other expenses, losses, or deductions which are properly allocable to such receipts.

“(3) AGGREGATION RULES.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as a single trade or business for purposes of this subsection.

“(c) ELECTION.—An election under this section for any taxable year shall be made on the taxpayer’s return of the tax imposed by this chapter for the taxable year. Such election shall be made in such manner as the Secretary may by regulation prescribe.

“(d) DEFINITIONS AND SPECIAL RULES.—

“(1) QUALIFIED PROPERTY.—For purposes of this section, the term ‘qualified property’ means any property which is section 179 property as defined in section 179(d)(1), determined—

“(A) without regard to any placed in service date under subparagraph (A)(i) thereof, and

“(B) without regard to any taxable year limitation under section 179(f).

“(2) SPECIAL RULES.—For purposes of this section, rules similar to the rules of paragraphs (3), (4), (5), (9), and (10) of section 179(d) shall apply.”

(b) CLERICAL AMENDMENT.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 179E the following new item:

“Sec. 179F. Election for small businesses to expense certain depreciable property.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

**SA 2518.** Mr. THUNE (for himself, Mr. RUBIO, Mr. GRAHAM, and Mr. BOOZMAN) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE \_\_\_\_—DEATH TAX REPEAL**

**SEC. \_\_\_\_ 1. SHORT TITLE.**

This title may be cited as the “Death Tax Repeal Permanency Act of 2012”.

**SEC. \_\_\_\_ 2. REPEAL OF ESTATE AND GENERATION-SKIPPING TRANSFER TAXES.**

(a) ESTATE TAX REPEAL.—Subchapter C of chapter 11 of subtitle B of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

“**SEC. 2210. TERMINATION.**

“(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall not apply to the estates of decedents dying on or after the date of the enactment of the Death Tax Repeal Permanency Act of 2012.

“(b) CERTAIN DISTRIBUTIONS FROM QUALIFIED DOMESTIC TRUSTS.—In applying section 2056A with respect to the surviving spouse of a decedent dying before the date of the enactment of the Death Tax Repeal Permanency Act of 2012—

“(1) section 2056A(b)(1)(A) shall not apply to distributions made after the 10-year period beginning on such date, and

“(2) section 2056A(b)(1)(B) shall not apply on or after such date.”

(b) GENERATION-SKIPPING TRANSFER TAX REPEAL.—Subchapter G of chapter 13 of subtitle B of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

“**SEC. 2664. TERMINATION.**

“This chapter shall not apply to generation-skipping transfers on or after the date of the enactment of the Death Tax Repeal Permanency Act of 2012.”

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subchapter C of chapter 11 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“Sec. 2210. Termination.”

(2) The table of sections for subchapter G of chapter 13 of such Code is amended by adding at the end the following new item:

“Sec. 2664. Termination.”

(d) RESTORATION OF PRE-EGTRRA PROVISIONS NOT APPLICABLE.—

(1) IN GENERAL.—Section 301 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 shall not

apply to estates of decedents dying, and transfers made, on or after the date of the enactment of this Act.

(2) EXCEPTION FOR STEPPED-UP BASIS.—Paragraph (1) shall not apply to the provisions of law amended by subtitle E of title V of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to carryover basis at death; other changes taking effect with repeal).

(e) SUNSET NOT APPLICABLE.—

(1) Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to title V of such Act in the case of estates of decedents dying, and transfers

made, on or after the date of the enactment of this Act.

(2) Section 304 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 is hereby repealed.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to the estates of decedents dying, and generation-skipping transfers, after the date of the enactment of this Act.

SEC. 3. MODIFICATIONS OF GIFT TAX.

(a) COMPUTATION OF GIFT TAX.—Subsection (a) of section 2502 of the Internal Revenue Code of 1986 is amended to read as follows:

“(a) COMPUTATION OF TAX.—

“(1) IN GENERAL.—The tax imposed by section 2501 for each calendar year shall be an amount equal to the excess of—

“(A) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for such calendar year and for each of the preceding calendar periods, over

“(B) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for each of the preceding calendar periods.

“(2) RATE SCHEDULE.—

“If the amount with respect to which the tentative tax to be computed is: .....	The tentative tax is:
Not over \$10,000 .....	18% of such amount.
Over \$10,000 but not over \$20,000 .....	\$1,800, plus 20% of the excess over \$10,000.
Over \$20,000 but not over \$40,000 .....	\$3,800, plus 22% of the excess over \$20,000.
Over \$40,000 but not over \$60,000 .....	\$8,200, plus 24% of the excess over \$40,000.
Over \$60,000 but not over \$80,000 .....	\$13,000, plus 26% of the excess over \$60,000.
Over \$80,000 but not over \$100,000 .....	\$18,200, plus 28% of the excess over \$80,000.
Over \$100,000 but not over \$150,000 .....	\$23,800, plus 30% of the excess over \$100,000.
Over \$150,000 but not over \$250,000 .....	\$38,800, plus 32% of the excess of \$150,000.
Over \$250,000 but not over \$500,000 .....	\$70,800, plus 34% of the excess over \$250,000.
Over \$500,000 .....	\$155,800, plus 35% of the excess of \$500,000.”.

(b) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Section 2511 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(c) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Notwithstanding any other provision of this section and except as provided in regulations, a transfer in trust shall be treated as a taxable gift under section 2503, unless the trust is treated as wholly owned by the donor or the donor’s spouse under subpart E of part I of subchapter J of chapter 1.”.

(c) LIFETIME GIFT EXEMPTION.—Paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as follows:

“(1) the amount of the tentative tax which would be determined under the rate schedule set forth in section 2502(a)(2) if the amount with respect to which such tentative tax is to be computed were \$5,000,000, reduced by”.

(d) CONFORMING AMENDMENTS.—

(1) Section 2505(a) of the Internal Revenue Code of 1986 is amended by striking the last sentence.

(2) The heading for section 2505 of such Code is amended by striking “UNIFIED”.

(3) The item in the table of sections for subchapter A of chapter 12 of such Code relating to section 2505 is amended to read as follows:

“Sec. 2505. Credit against gift tax.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to gifts made on or after the date of the enactment of this Act.

(f) TRANSITION RULE.—

(1) IN GENERAL.—For purposes of applying sections 1015(d), 2502, and 2505 of the Internal Revenue Code of 1986, the calendar year in which this title is enacted shall be treated as 2 separate calendar years one of which ends on the day before the date of the enactment of this Act and the other of which begins on such date of enactment.

(2) APPLICATION OF SECTION 2504(b).—For purposes of applying section 2504(b) of the Internal Revenue Code of 1986, the calendar year in which this title is enacted shall be treated as one preceding calendar period.

SA 2519. Mr. WHITEHOUSE (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

At the end, add the following:

TITLE —SMALL BUSINESS REORGANIZATION EFFICIENCY AND CLARITY

SEC. 01 SHORT TITLE.

This title may be cited as the “Small Business Reorganization Efficiency and Clarity Act”.

SEC. 02. FLEXIBILITY IN CONFIRMATION.

Section 1129(e) of title 11, United States Code, is amended by striking “45 days” and inserting “90 days”.

SEC. 03. CLARITY IN PERIODIC REPORTING REQUIREMENTS.

Section 308(b) of title 11, United States Code, is amended—

(1) in paragraph (4), by adding “and” at the end;

(2) in paragraph (5), by striking “; and” at the end and inserting a period; and

(3) by striking paragraph (6).

SEC. 04. RETAINING PROFESSIONAL SERVICES.

(a) IN GENERAL.—Section 327 of title 11, United States Code, is amended by adding at the end the following:

“(g) Notwithstanding subsection (a), a person is not disqualified for employment under this section by a small business debtor solely because such person holds a claim of less than \$5,000 that arose prior to the date of commencement of the case.”.

(b) ADJUSTMENTS TO DOLLAR AMOUNT.—Section 104 of title 11, United States Code, is amended by inserting “327(g),” after “303(b),”.

SEC. 05. ENFORCEMENT OF SMALL BUSINESS SELECTION.

Section 1112(b)(4) of title 11, United States Code, is amended—

(1) by redesignating subparagraphs (O) and (P) as subparagraphs (P) and (Q), respectively; and

(2) by inserting after subparagraph (N) the following:

“(O) failure of a small business debtor to designate itself as a small business debtor;”.

SEC. 06. REPORT.

Not later than 12 months after the date of enactment of this Act, the Comptroller General of the United States, in consultation with the Administrative Office of United States Courts and the Executive Office of United States Trustees, shall submit a report to Congress detailing—

(1) the number and percentage of all cases filed under chapter 11 of title 11, United States Code, in which the debtor is a small business debtor, as that term is defined in section 101(51D) of title 11, United States Code;

(2) the number of cases and rates of confirmations for small business debtors in cases filed under chapter 11 of title 11, United States Code, as compared with—

(A) all debtors in cases filed under that chapter 11;

(B) all debtors in cases filed under that chapter 11 that are not small business debtors;

(C) debtors in cases filed under that chapter 11 that—

(i) are not small business debtors; and

(ii) have less than \$5,000,000 in debt;

(D) debtors in cases filed under that chapter 11 that—

(i) are not small business debtors; and

(ii) have less than \$10,000,000 in debt;

(E) debtors in cases filed under chapter 12 of title 11, United States Code; and

(F) debtors in cases filed under that chapter 13 that are business cases;

(3) the number of cases filed under chapter 11 of title 11, United States Code, in which the debtor has less than \$2,343,300 in debt outstanding, but does not designate itself a small business debtor;

(4) recommendations for improving the confirmation rate for small business debtors; and

(5) an analysis on whether the definition of the term “small business debtor” should be amended to include businesses with—

- (A) less than \$5,000,000 in debt; and
- (B) less than \$10,000,000 in debt.

**SA 2520.** Mr. BENNET (for himself, Mr. MORAN, Mr. UDALL of Colorado, and Mr. TESTER) submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

At the end, add the following:

**SEC. \_\_\_\_ . EXTENSION OF CREDITS FOR WIND FACILITIES.**

(a) **PRODUCTION TAX CREDIT.**—Paragraph (1) of section 45(d) of the Internal Revenue Code of 1986 is amended by striking “January 1, 2013” and inserting “January 1, 2015”.

(b) **INVESTMENT TAX CREDIT.**—Clause (i) of section 48(a)(5)(C) of the Internal Revenue Code of 1986 is amended by striking “or 2012” and inserting “2012, 2013, or 2014”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to facilities placed in service after December 31, 2012.

**SEC. \_\_\_\_ . DELAY IN APPLICATION OF WORLD-WIDE INTEREST.**

(a) **IN GENERAL.**—Paragraphs (5)(D) and (6) of section 864(f) of the Internal Revenue Code of 1986 are each amended by striking “December 31, 2020” and inserting “December 31, 2022”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SA 2521.** Mr. REID (for Ms. LANDRIEU) proposed an amendment to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

**DIVISION A—SMALL BUSINESS JOBS AND TAX RELIEF**

**SECTION 1. SHORT TITLE.**

This division may be cited as the “Small Business Jobs and Tax Relief Act”.

**SEC. 2. TEMPORARY TAX CREDIT FOR INCREASED PAYROLL.**

(a) **IN GENERAL.**—In the case of a qualified employer who elects the application of this section, there shall be allowed as a credit against the tax imposed by chapter 1 of the Internal Revenue Code of 1986 for the taxable year which includes December 31, 2012, an amount equal to 10 percent of the excess (if any) of—

(1) the sum of the wages and compensation paid by such qualified employer for qualified services during calendar year 2012, over

(2) the sum of such wages and compensation paid during calendar year 2011.

(b) **LIMITATION.**—The amount of the excess taken into account under subsection (a) with respect to any qualified employer shall not exceed \$5,000,000.

(c) **WAGES AND COMPENSATION.**—For purposes of this section—

(1) **WAGES.**—The term “wages” has the meaning given such term under section 3121 of the Internal Revenue Code of 1986 for purposes of the tax imposed by section 3111(a) of such Code.

(2) **COMPENSATION.**—The term “compensation” has the meaning given such term

under section 3231 of such Code for purposes of the portion of the tax imposed by section 3221(a) of such Code that corresponds to the tax imposed by section 3111(a) of such Code.

(3) **APPLICATION OF CONTRIBUTION AND BENEFIT BASE TO CALENDAR YEAR 2011.**—For purposes of determining wages and compensation under subsection (a)(2), the contribution and benefit base as determined under section 230 of the Social Security Act shall be such amount as in effect for calendar year 2012.

(4) **SPECIAL RULE WHEN NO WAGES OR COMPENSATION IN 2011.**—In any case in which the sum of the wages and compensation paid by a qualified employer for qualified services during calendar year 2011 is zero, then the amount taken into account under subsection (a)(2) shall be 80 percent of the amount taken into account under subsection (a)(1).

(5) **COORDINATION WITH OTHER EMPLOYMENT CREDITS.**—The amount of the excess taken into account under subsection (a) shall be reduced by the sum of all other Federal tax credits determined with respect to wages or compensation paid in calendar year 2012.

(d) **OTHER DEFINITIONS.**—

(1) **QUALIFIED EMPLOYER.**—For purposes of this section—

(A) **IN GENERAL.**—The term “qualified employer” has the meaning given such term under section 3111(d)(2) of the Internal Revenue Code of 1986, determined by substituting “section 101 of the Higher Education Act of 1965” for “section 101(b) of the Higher Education Act of 1965” in subparagraph (B) thereof.

(B) **AGGREGATION RULES.**—Rules similar to the rules of sections 414(b), 414(c), 414(m), and 414(o) of such Code shall apply to determine when multiple entities shall be treated as a single employer, and rules with respect to predecessor and successor employers may be applied, in such manner as may be prescribed by the Secretary of the Treasury or the Secretary’s designee (in this section referred to as the “Secretary”).

(2) **QUALIFIED SERVICES.**—The term “qualified services” means services performed by an individual who is not described in section 51(i)(1) of such Code (applied by substituting “qualified employer” for “taxpayer” each place it appears)—

(A) in a trade or business of the qualified employer, or

(B) in the case of a qualified employer exempt from tax under section 501(a) of such Code, in furtherance of the activities related to the purpose or function constituting the basis of the employer’s exemption under section 501 of such Code.

(e) **APPLICATION OF CERTAIN RULES.**—Rules similar to the rules of sections 280C(a) and 6501(m) of the Internal Revenue Code of 1986 shall apply with respect to the credit determined under this section.

(f) **TREATMENT OF CREDIT.**—For purposes of the Internal Revenue Code of 1986—

(1) **TAXABLE EMPLOYERS.**—

(A) **IN GENERAL.**—The credit allowed under subsection (a) with respect to qualified services described in subsection (d)(2)(A) for any taxable year shall be added to the current year business credit under section 38(b) of such Code for such taxable year and shall be treated as a credit allowed under subpart D of part IV of subchapter A of chapter 1 of such Code.

(B) **LIMITATION ON CARRYBACKS.**—No portion of the unused business credit under section 38 of such Code for any taxable year which is attributable to an increase in the current year business credit by reason of subparagraph (A) may be carried to a taxable year beginning before the date of the enactment of this section.

(2) **TAX-EXEMPT EMPLOYERS.**—

(A) **IN GENERAL.**—The credit allowed under subsection (a) with respect to qualified serv-

ices described in subsection (d)(2)(B) for any taxable year—

(i) shall be treated as a credit allowed under subpart C of part IV of subchapter A of chapter 1 of such Code, and

(ii) shall be added to the credits described in subparagraph (A) of section 6211(b)(4) of such Code.

(B) **CONFORMING AMENDMENT.**—Section 1324(b)(2) of title 31, United States Code, is amended by inserting “or due under section 2 of the Small Business Jobs and Tax Relief Act” after “the Housing Assistance Tax Act of 2008”.

(g) **TREATMENT OF POSSESSIONS.**—

(1) **PAYMENTS TO POSSESSIONS.**—

(A) **MIRROR CODE POSSESSIONS.**—The Secretary shall pay to each possession of the United States with a mirror code tax system amounts equal to the loss to that possession by reason of the application of subsections (a) through (f). Such amounts shall be determined by the Secretary based on information provided by the government of the respective possession of the United States.

(B) **OTHER POSSESSIONS.**—The Secretary shall pay to each possession of the United States which does not have a mirror code tax system the amount estimated by the Secretary as being equal to the loss to that possession that would have occurred by reason of the application of subsections (a) through (f) if a mirror code tax system had been in effect in such possession. The preceding sentence shall not apply with respect to any possession of the United States unless such possession establishes to the satisfaction of the Secretary that the possession has implemented (or, at the discretion of the Secretary, will implement) an income tax benefit which is substantially equivalent to the income tax credit allowed under such subsections.

(2) **COORDINATION WITH CREDIT ALLOWED AGAINST UNITED STATES INCOME TAXES.**—No increase in the credit determined under section 38(b) of the Internal Revenue Code of 1986 against United States income taxes for any taxable year determined by reason of subsection (f)(1)(A) shall be taken into account with respect to any person—

(A) to whom a credit is allowed against taxes imposed by the possession by reason of this section for such taxable year, or

(B) who is eligible for a payment under a plan described in paragraph (1)(B) with respect to such taxable year.

(3) **DEFINITIONS AND SPECIAL RULES.**—

(A) **POSSESSION OF THE UNITED STATES.**—For purposes of this subsection, the term “possession of the United States” includes American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

(B) **MIRROR CODE TAX SYSTEM.**—For purposes of this subsection, the term “mirror code tax system” means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States.

(C) **TREATMENT OF PAYMENTS.**—For purposes of section 1324(b)(2) of title 31, United States Code, the payments under this subsection shall be treated in the same manner as a refund due from credit provisions described in such section.

(h) **REGULATIONS.**—The Secretary shall prescribe such regulations or guidance as are necessary to carry out the provisions of this section.

**SEC. 3. EXTENSION OF ALLOWANCE FOR BONUS DEPRECIATION FOR CERTAIN BUSINESS ASSETS.**

(a) EXTENSION OF 100 PERCENT BONUS DEPRECIATION.—

(1) IN GENERAL.—Paragraph (5) of section 168(k) of the Internal Revenue Code of 1986 is amended—

(A) by striking “January 1, 2012” each place it appears and inserting “January 1, 2013”, and

(B) by striking “January 1, 2013” and inserting “January 1, 2014”.

(2) CONFORMING AMENDMENTS.—

(A) The heading for paragraph (5) of section 168(k) of such Code is amended by striking “PRE-2012 PERIODS” and inserting “PRE-2013 PERIODS”.

(B) Clause (ii) of section 460(c)(6)(B) of such Code is amended by striking “January 1, 2011 (January 1, 2012)” and inserting “January 1, 2013 (January 1, 2014)”.

(3) EFFECTIVE DATES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this section shall apply to property placed in service after December 31, 2011.

(B) CONFORMING AMENDMENT.—The amendment made by paragraph (2)(B) shall apply to property placed in service after December 31, 2010.

(b) EXPANSION OF ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

(1) IN GENERAL.—Paragraph (4) of section 168(k) of the Internal Revenue Code of 1986 is amended to read as follows:

“(4) ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

“(A) IN GENERAL.—If a corporation elects to have this paragraph apply for any taxable year—

“(i) paragraph (1) shall not apply to any eligible qualified property placed in service by the taxpayer in such taxable year,

“(ii) the applicable depreciation method used under this section with respect to such property shall be the straight line method, and

“(iii) the limitation imposed by section 53(c) for such taxable year shall be increased by the bonus depreciation amount which is determined for such taxable year under subparagraph (B).

“(B) BONUS DEPRECIATION AMOUNT.—For purposes of this paragraph—

“(i) IN GENERAL.—The bonus depreciation amount for any taxable year is an amount equal to 20 percent of the excess (if any) of—

“(I) the aggregate amount of depreciation which would be allowed under this section for eligible qualified property placed in service by the taxpayer during such taxable year if paragraph (1) applied to all such property, over

“(II) the aggregate amount of depreciation which would be allowed under this section for eligible qualified property placed in service by the taxpayer during such taxable year if paragraph (1) did not apply to any such property.

The aggregate amounts determined under subclauses (I) and (II) shall be determined without regard to any election made under subsection (b)(2)(D), (b)(3)(D), or (g)(7) and without regard to subparagraph (A)(ii).

“(ii) LIMITATION.—The bonus depreciation amount for any taxable year shall not exceed the lesser of—

“(I) 50 percent of the minimum tax credit under section 53(b) for the first taxable year ending after December 31, 2011, reduced (but not below zero) by the sum of the bonus depreciation amounts for all taxable years ending after such date for which an election under this paragraph was made which precede the taxable year for which the determination is made (other than amounts deter-

mined with respect to property placed in service by the taxpayer on or before such date), or

“(II) the minimum tax credit under section 53(b) for such taxable year determined by taking into account only the adjusted minimum tax for taxable years ending before January 1, 2012 (determined by treating credits as allowed on a first-in, first-out basis).

“(iii) AGGREGATION RULE.—All corporations which are treated as a single employer under section 52(a) shall be treated—

“(I) as 1 taxpayer for purposes of this paragraph, and

“(II) as having elected the application of this paragraph if any such corporation so elects.

“(C) ELIGIBLE QUALIFIED PROPERTY.—For purposes of this paragraph, the term ‘eligible qualified property’ means qualified property under paragraph (2), except that in applying paragraph (2) for purposes of this paragraph—

“(i) ‘March 31, 2008’ shall be substituted for ‘December 31, 2007’ each place it appears in subparagraph (A) and clauses (i) and (ii) of subparagraph (E) thereof,

“(ii) ‘April 1, 2008’ shall be substituted for ‘January 1, 2008’ in subparagraph (A)(iii)(I) thereof, and

“(iii) only adjusted basis attributable to manufacture, construction, or production—

“(I) after March 31, 2008, and before January 1, 2010, and

“(II) after December 31, 2010, and before January 1, 2013, shall be taken into account under subparagraph (B)(ii) thereof.

“(D) CREDIT REFUNDABLE.—For purposes of section 6401(b), the aggregate increase in the credits allowable under part IV of subchapter A for any taxable year resulting from the application of this paragraph shall be treated as allowed under subpart C of such part (and not any other subpart).

“(E) OTHER RULES.—

“(i) ELECTION.—Any election under this paragraph may be revoked only with the consent of the Secretary.

“(ii) PARTNERSHIPS WITH ELECTING PARTNERS.—In the case of a corporation making an election under subparagraph (A) and which is a partner in a partnership, for purposes of determining such corporation’s distributive share of partnership items under section 702—

“(I) paragraph (1) shall not apply to any eligible qualified property, and

“(II) the applicable depreciation method used under this section with respect to such property shall be the straight line method.

“(iii) CERTAIN PARTNERSHIPS.—In the case of a partnership in which more than 50 percent of the capital and profits interests are owned (directly or indirectly) at all times during the taxable year by one corporation (or by corporations treated as 1 taxpayer under subparagraph (B)(iii)), for purposes of subparagraph (B), each partner shall take into account its distributive share of the amounts determined by the partnership under subclauses (I) and (II) of clause (i) of such subparagraph for the taxable year of the partnership ending with or within the taxable year of the partner. The preceding sentence shall apply only to amounts determined with respect to property placed in service after December 31, 2011.

“(iv) SPECIAL RULE FOR PASSENGER AIRCRAFT.—In the case of any passenger aircraft, the written binding contract limitation under paragraph (2)(A)(iii)(I) shall not apply for purposes of subparagraphs (B)(i)(I) and (C).”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years ending after December 31, 2011.

(3) TRANSITIONAL RULE.—In the case of a taxable year beginning before January 1,

2012, and ending after December 31, 2011, the bonus depreciation amount determined under paragraph (4) of section 168(k) of the Internal Revenue Code of 1986 for such year shall be the sum of—

(A) such amount determined under such paragraph as in effect on the date before the date of enactment of this Act—

(i) taking into account only property placed in service before January 1, 2012, and

(ii) multiplying the limitation under subparagraph (C)(ii) of such paragraph (as so in effect) by a fraction the numerator of which is the number of days in the taxable year before January 1, 2012, and the denominator of which is the number of days in the taxable year, and

(B) such amount determined under such paragraph as amended by this Act—

(i) taking into account only property placed in service after December 31, 2011, and

(ii) multiplying the limitation under subparagraph (B)(ii) of such paragraph (as so in effect) by a fraction the numerator of which is the number of days in the taxable year after December 31, 2011, and the denominator of which is the number of days in the taxable year.

**DIVISION B—SUCCESS ACT OF 2012**

**SEC. 1. SHORT TITLE.**

This division may be cited as the “Success Ultimately Comes from Capital, Contracting, Education, Strategic Partnerships, and Smart Regulations Act of 2012” or the “SUCCESS Act of 2012”.

**SEC. 2. TABLE OF CONTENTS.**

The table of contents for this division is as follows:

**DIVISION B—SUCCESS ACT OF 2012**

Sec. 1. Short title.

Sec. 2. Table of contents.

**TITLE I—SMALL BUSINESS TAX EXTENDERS**

Sec. 101. References.

Sec. 102. Extension of temporary exclusion of 100 percent of gain on certain small business stock.

Sec. 103. Extension of increased amount allowed as a deduction for startup expenditures.

Sec. 104. Extension of reduction in recognition period for built-in gains tax.

Sec. 105. Extension of 5-year carryback of general business credits of eligible small businesses.

Sec. 106. Extension of increased expensing limitations and treatment of certain real property as section 179 property.

**TITLE II—ACCESS TO CAPITAL**

**Subtitle A—Expanding Access to Capital for Entrepreneurial Leaders**

Sec. 211. Short title.

Sec. 212. Program authorization.

Sec. 213. Family of funds.

Sec. 214. Adjustment for inflation.

Sec. 215. Public availability of information.

Sec. 216. Authorized uses of licensing fees.

Sec. 217. Sense of Congress.

**Subtitle B—Low-Interest Refinancing**

Sec. 221. Low-interest refinancing under the local development business loan program.

**Subtitle C—SBA Lender Activity Index**

Sec. 231. SBA lender activity index.

**TITLE III—ACCESS TO GLOBAL MARKETS**

Sec. 301. Short title.

Sec. 302. Report on improvements to Export.gov as a single window for export information.

Sec. 303. Report on developing a single window for information about export control compliance.

Sec. 304. Promotion of exporting.  
 Sec. 305. Export control education.  
 Sec. 306. Small Business Inter-Agency Task Force on Export Financing.  
 Sec. 307. Promotion of exports by rural small businesses.  
 Sec. 308. Registry of export management and export trading companies.  
 Sec. 309. Reverse trade missions.  
 Sec. 310. State Trade and Export Promotion Grant Program.  
 Sec. 311. Promotion of interagency details.  
 Sec. 312. Annual export strategy.

**TITLE IV—ACCESS TO MENTORING, EDUCATION, AND STRATEGIC PARTNERSHIPS**

Subtitle A—Measuring the Effectiveness of Resource Partners

Sec. 411. Expanding entrepreneurship.  
 Subtitle B—Women's Small Business Ownership

Sec. 421. Short title.  
 Sec. 422. Definition.  
 Sec. 423. Office of Women's Business Ownership.  
 Sec. 424. Women's Business Center Program.  
 Sec. 425. Study and report on economic issues facing women's business centers.  
 Sec. 426. Study and report on oversight of women's business centers.

Subtitle C—Strengthening America's Small Business Development Centers

Sec. 431. Institutions of higher education.  
 Sec. 432. Updating funding levels for small business development centers.  
 Sec. 433. Assistance to out-of-state small businesses.  
 Sec. 434. Termination of small business development center defense economic transition assistance.  
 Sec. 435. National Small Business Development Center Advisory Board.  
 Sec. 436. Repeal of Paul D. Coverdell drug-free workplace program.

Subtitle D—Terminating the National Veterans Business Development Corporation

Sec. 441. National Veterans Business Development Corporation.

**TITLE V—ACCESS TO GOVERNMENT CONTRACTING**

Subtitle A—Bonds

Sec. 511. Removal of sunset dates for certain provisions of the Small Business Investment Act of 1958.

Subtitle B—Small Business Contracting Fraud Prevention

Sec. 521. Short title.  
 Sec. 522. Definitions.  
 Sec. 523. Fraud deterrence at the Small Business Administration.  
 Sec. 524. Veterans integrity in contracting.  
 Sec. 525. Section 8(a) program improvements.  
 Sec. 526. HUBZone improvements.  
 Sec. 527. Annual report on suspension, debarment, and prosecution.

Subtitle C—Fairness in Women-Owned Small Business Contracting

Sec. 531. Short title.  
 Sec. 532. Procurement program for women-owned small business concerns.  
 Sec. 533. Study and report on representation of women.

Subtitle D—Small Business Champion

Sec. 541. Short title.  
 Sec. 542. Offices of Small and Disadvantaged Business Utilization.  
 Sec. 543. Small Business Procurement Advisory Council.

**TITLE VI—TRANSPARENCY, ACCOUNTABILITY, AND EFFECTIVENESS**  
 Subtitle A—Small Business Common Application

Sec. 611. Definitions.

Sec. 612. Sense of Congress.  
 Sec. 613. Executive Committee On a Small Business Common Application.  
 Sec. 614. Authorization of appropriations.  
 Subtitle B—Government Accountability Office Review  
 Sec. 621. Government Accountability Office review.

**TITLE I—SMALL BUSINESS TAX EXTENDERS**

**SEC. 101. REFERENCES.**

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

**SEC. 102. EXTENSION OF TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.**

(a) IN GENERAL.—Paragraph (4) of section 1202(a) is amended—

(1) by striking “January 1, 2012” and inserting “January 1, 2014”, and  
 (2) by striking “AND 2011” and inserting “, 2011, 2012, AND 2013” in the heading thereof.

(b) TECHNICAL AMENDMENTS.—  
 (1) SPECIAL RULE FOR 2009 AND CERTAIN PERIOD IN 2010.—Paragraph (3) of section 1202(a) is amended by adding at the end the following new flush sentence:

“In the case of any stock which would be described in the preceding sentence (but for this sentence), the acquisition date for purposes of this subsection shall be the first day on which such stock was held by the taxpayer determined after the application of section 1223.”

(2) 100 PERCENT EXCLUSION.—Paragraph (4) of section 1202(a) is amended by adding at the end the following new flush sentence:

“In the case of any stock which would be described in the preceding sentence (but for this sentence), the acquisition date for purposes of this subsection shall be the first day on which such stock was held by the taxpayer determined after the application of section 1223.”

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to stock acquired after December 31, 2011.

(2) SUBSECTION (b)(1).—The amendment made by subsection (b)(1) shall take effect as if included in section 1241(a) of division B of the American Recovery and Reinvestment Act of 2009.

(3) SUBSECTION (b)(2).—The amendment made by subsection (b)(2) shall take effect as if included in section 2011(a) of the Creating Small Business Jobs Act of 2010.

**SEC. 103. EXTENSION OF INCREASED AMOUNT ALLOWED AS A DEDUCTION FOR START-UP EXPENDITURES.**

(a) IN GENERAL.—Paragraph (3) of section 195(b) is amended—

(1) by inserting “, 2012, or 2013” after “2010”, and  
 (2) by inserting “2012, AND 2013” in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2011.

**SEC. 104. EXTENSION OF REDUCTION IN RECOGNITION PERIOD FOR BUILT-IN GAINS TAX.**

(a) IN GENERAL.—Paragraph (7) of section 1374(d) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D), and  
 (2) by inserting after subparagraph (B) the following new subparagraph:

“(C) SPECIAL RULE FOR 2012 AND 2013.—For dispositions of property in taxable years be-

ginning in 2012 or 2013, subparagraphs (A) and (D) shall be applied by substituting ‘5-year’ for ‘10-year’.”

(b) TECHNICAL AMENDMENT.—Subparagraph (B) of section 1374(d)(2) is amended by inserting “described in subparagraph (A)” after “, for any taxable year”.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2011.

**SEC. 105. EXTENSION OF 5-YEAR CARRYBACK OF GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES.**

(a) IN GENERAL.—Subparagraph (A) of section 39(a)(4) is amended by inserting “or in taxable years beginning in 2012, or 2013” after “2010”.

(b) TECHNICAL AMENDMENT.—Section 38(c)(5)(B) is amended—

(1) by striking “the sum of”, and  
 (2) by inserting “for any taxable year to which subparagraph (A) applies” after “or (4)”.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to credits determined in taxable years beginning after December 31, 2011.

(2) TECHNICAL AMENDMENTS.—The amendments made by subsection (b) shall take effect as if included in section 2013(a) of the Creating Small Business Jobs Act of 2010.

**SEC. 106. EXTENSION OF INCREASED EXPENSING LIMITATIONS AND TREATMENT OF CERTAIN REAL PROPERTY AS SECTION 179 PROPERTY.**

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Section 179(b)(1) is amended—

(A) by striking “and” at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

(C) by inserting after subparagraph (C) the following new subparagraph:

“(D) \$500,000 in the case of taxable years beginning in 2013, and”, and

(D) in subparagraph (E), as so redesignated, by striking “2012” and inserting “2013”.

(2) REDUCTION IN LIMITATION.—Section 179(b)(2) is amended—

(A) by striking “and” at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

(C) by inserting after subparagraph (C) the following new subparagraph:

“(D) \$2,000,000 in the case of taxable years beginning in 2013, and”, and

(D) in subparagraph (E), as so redesignated, by striking “2012” and inserting “2013”.

(b) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking “2013” and inserting “2014”.

(c) ELECTION.—Section 179(c)(2) is amended by striking “2013” and inserting “2014”.

(d) SPECIAL RULES FOR TREATMENT OF QUALIFIED REAL PROPERTY.—

(1) IN GENERAL.—Section 179(f)(1) is amended by striking “2010 or 2011” and inserting “2010, 2011, or 2013”.

(2) CARRYOVER LIMITATION.—Section 179(f)(4) is amended by striking subparagraphs (A) through (C) and inserting the following:

“(A) IN GENERAL.—Notwithstanding subsection (b)(3)(B)—

“(i) no amount attributable to qualified real property placed in service in any taxable year beginning in 2010 or 2011 may be carried over to any taxable year beginning after 2011, and

“(ii) no amount attributable to qualified real property placed in service in any taxable year beginning in 2013 may be carried over to any taxable year beginning after 2013.

“(B) TREATMENT OF DISALLOWED AMOUNTS.—Except as provided in subparagraph (C)—

“(i) TAXABLE YEARS BEGINNING AFTER 2011.—To the extent that any amount is not allowed to be carried over to a taxable year beginning after 2011 by reason of subparagraph (A)(i), this title shall be applied as if no election under this section had been made with respect to such amount.

“(ii) TAXABLE YEARS BEGINNING AFTER 2013.—To the extent that any amount is not allowed to be carried over to a taxable year beginning after 2013 by reason of subparagraph (A)(ii), this title shall be applied as if no election under this section had been made with respect to such amount.

“(C) AMOUNTS CARRIED OVER FROM CERTAIN TAXABLE YEARS.—

“(i) AMOUNTS CARRIED OVER FROM 2010.—If subparagraph (B)(i) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer’s last taxable year beginning in 2011, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer’s last taxable year beginning in 2011.

“(ii) AMOUNTS CARRIED OVER FROM 2013.—If subparagraph (B)(ii) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer’s last taxable year beginning in 2013, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer’s last taxable year beginning in 2013.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

## TITLE II—ACCESS TO CAPITAL

### Subtitle A—Expanding Access to Capital for Entrepreneurial Leaders

#### SEC. 211. SHORT TITLE.

This subtitle may be cited as the “EXCEL Act of 2012”.

#### SEC. 212. PROGRAM AUTHORIZATION.

Section 303(b) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)) is amended, in the matter preceding paragraph (1), in the first sentence, by inserting after “issued by such companies” the following: “, in a total amount that does not exceed \$4,000,000,000 each fiscal year (adjusted annually to reflect increases in the Consumer Price Index established by the Bureau of Labor Statistics of the Department of Labor)”.

#### SEC. 213. FAMILY OF FUNDS.

Section 303(b)(2)(B) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)(2)(B)) is amended by striking “\$225,000,000” and inserting “\$350,000,000”.

#### SEC. 214. ADJUSTMENT FOR INFLATION.

Section 303(b)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)(2)) is amended by adding at the end the following:

“(E) ADJUSTMENTS.—

“(i) IN GENERAL.—The dollar amounts in subparagraph (A)(ii), subparagraph (B), and subparagraph (C)(i)(I) shall be adjusted annually to reflect increases in the Consumer Price Index established by the Bureau of Labor Statistics of the Department of Labor (in this subparagraph referred to as the ‘CPI’).

“(ii) APPLICABILITY.—The adjustments required by clause (i)—

“(I) with respect to dollar amounts in subparagraphs (A)(ii) and (C)(i)(I) shall initially reflect increases in the CPI during the period beginning on the effective date of section 505 of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 156)

through the date of enactment of this subparagraph and annually thereafter;

“(II) with respect to dollar amounts in subparagraph (B) shall reflect increases in the CPI annually on and after the date of enactment of this subparagraph.”.

#### SEC. 215. PUBLIC AVAILABILITY OF INFORMATION.

Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended by adding at the end the following:

“(1) ACCESS TO FUND INFORMATION.—Annually, the Administrator shall make public on its website the following information with respect to each small business investment company:

“(1) The amount of capital deployed since fund inception.

“(2) The amount of leverage drawn since fund inception.

“(3) The number of investments since fund inception.

“(4) The number of businesses receiving capital since fund inception.

“(5) Industry sectors receiving investment since fund inception.

“(6) The amount of leverage principal repaid by the small business investment company since fund inception.

“(7) A basic description of investment strategy.”.

#### SEC. 216. AUTHORIZED USES OF LICENSING FEES.

Section 301 of the Small Business Investment Act of 1958 (15 U.S.C. 681) is amended—

(1) by redesignating subsection (e) as subsection (d); and

(2) in subsection (d)(2)(B), as so redesignated, by inserting before the period at the end the following: “and other small business investment company program needs”.

#### SEC. 217. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) small business investment companies would benefit from partnerships with community banks and other lenders, and should work with community banks and other lenders, to ensure that if community banks and other lenders deny an application by a small business concern for a loan, the community banks or other lenders will refer the small business concern to small business investment companies; and

(2) the Administrator of the Small Business Administration (in this division referred to as the “Administrator”) should—

(A) increase outreach to community banks and other lenders to encourage community banks and other lenders to invest in small business investment companies;

(B) use the Internet to make publicly available in a timely manner which small business investment companies are actively soliciting investments and making investments in small business concerns;

(C) partner with governors, mayors, States, and municipalities to increase outreach by small business investment companies to underserved and rural areas; and

(D) continue to make changes to the webpage for the small business investment company program, to make the webpage—

(i) a more prominent part of the website of the Administration; and

(ii) more user-friendly.

#### Subtitle B—Low-Interest Refinancing

#### SEC. 221. LOW-INTEREST REFINANCING UNDER THE LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.

Section 1122(b) of the Small Business Jobs Act of 2010 (15 U.S.C. 696 note) is amended by striking “2 years” and inserting “on the date that is 3 years and 6 months”.

#### Subtitle C—SBA Lender Activity Index

#### SEC. 231. SBA LENDER ACTIVITY INDEX.

Section 4 of the Small Business Act (15 U.S.C. 633) is amended by adding at the end the following:

“(g) SBA LENDER ACTIVITY INDEX.—

“(1) DEFINITION.—In this subsection, the term ‘covered loan’ means a loan made or debenture issued under this Act or the Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.) by a private individual or entity.

“(2) REQUIREMENT.—Not later than 6 months after the date of enactment of this subsection, the Administrator shall make publicly available on the website of the Administration a user-friendly database of information relating to lenders making covered loans (to be known as the ‘Lender Activity Index’).

“(3) DATA INCLUDED.—

“(A) IN GENERAL.—The database made available under paragraph (2) shall include, for each lender making a covered loan—

“(i) the name of the lender;

“(ii) the number of covered loans made by the lender;

“(iii) the total dollar amount of covered loans made by the lender;

“(iv) a list of each ZIP code in which a recipient of a covered loan made by the lender is located;

“(v) a list of the industries of the recipients to which the lender made a covered loan;

“(vi) whether the covered loan is for an existing business or a new business;

“(vii) the number and total dollar amount of covered loans made by the lender to—

“(I) small business concerns owned and controlled by women;

“(II) socially and economically disadvantaged small business concerns (as defined in section 8(a)(4)(A)); and

“(III) small business concerns owned and controlled by veterans; and

“(viii) whether the covered loan was made under section 7(a) or under the program to provide financing to small business concerns through guarantees of loans under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.).

“(B) INCORPORATION OF DATA.—The Administrator shall—

“(i) include in the database made available under paragraph (2) information relating to covered loans made during fiscal years 2009, 2010, 2011, and 2012; and

“(ii) incorporate information relating to covered loans on an ongoing basis.

“(C) PERIOD OF DATA AVAILABILITY.—The Administrator shall retain information relating to a covered loan in the database made available under paragraph (2) until not earlier than the end of the third fiscal year beginning after the fiscal year during which the covered loan was made.”.

## TITLE III—ACCESS TO GLOBAL MARKETS

### SEC. 301. SHORT TITLE.

This title may be cited as the “Small Business Export Growth Act of 2012”.

### SEC. 302. REPORT ON IMPROVEMENTS TO EXPORT.GOV AS A SINGLE WINDOW FOR EXPORT INFORMATION.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Director of International Trade of the Small Business Administration shall, after consultation with the entities specified in subsection (b), submit to the Committee on Small Business and Entrepreneurship and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Small Business and the Committee on Foreign Affairs of the House of Representatives a report that includes the recommendations of the Director for improving the experience provided by the website [Export.gov](http://Export.gov) (or a successor website) as—

(1) a comprehensive resource for information about exporting articles from the United States; and



(2) a single website for exporters to submit all information required by the Federal Government with respect to the exportation of articles from the United States.

(b) ENTITIES SPECIFIED.—The entities specified in this subsection are—

(1) small business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)) that are exporters; and

(2) the President's Export Council, State agencies with responsibility for export promotion or export financing, district export councils, and trade associations.

**SEC. 303. REPORT ON DEVELOPING A SINGLE WINDOW FOR INFORMATION ABOUT EXPORT CONTROL COMPLIANCE.**

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Chief Counsel for Advocacy of the Small Business Administration shall submit to the appropriate congressional committees a report assessing the benefits of developing a website to serve as—

(1) a comprehensive resource for complying with and information about the export control laws and regulations of the United States; and

(2) a single website for exporters to submit all information required by the Federal Government with respect to export controls.

(b) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means—

(1) the Committee on Commerce, Science, and Transportation, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Small Business and Entrepreneurship of the Senate; and

(2) the Committee on Energy and Commerce, the Committee on Foreign Affairs, and the Committee on Small Business of the House of Representatives.

**SEC. 304. PROMOTION OF EXPORTING.**

Section 22(c)(11) of the Small Business Act (15 U.S.C. 649(c)(11)) is amended by inserting “, which shall include conducting not fewer than 1 outreach event each fiscal year in each State that promotes exporting as a business development opportunity for small business concerns” before the semicolon.

**SEC. 305. EXPORT CONTROL EDUCATION.**

Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by redesignating subsection (1) as subsection (n); and

(2) by inserting after subsection (k) the following:

“(1) EXPORT CONTROL EDUCATION.—The Associate Administrator shall ensure that all programs of the Administration to support exporting by small business concerns place a priority on educating small business concerns about Federal export control regulations.”

**SEC. 306. SMALL BUSINESS INTER-AGENCY TASK FORCE ON EXPORT FINANCING.**

The Administrator, in consultation with the Secretary of Agriculture, the President of the Export-Import Bank of the United States, and the President of the Overseas Private Investment Corporation shall jointly establish a Small Business Inter-Agency Task Force on Export Financing to—

(1) review and improve Federal export finance programs for small business concerns; and

(2) coordinate the activities of the Federal Government to assist small business concerns seeking to export.

**SEC. 307. PROMOTION OF EXPORTS BY RURAL SMALL BUSINESSES.**

(a) SMALL BUSINESS ADMINISTRATION-UNITED STATES DEPARTMENT OF AGRICULTURE INTERAGENCY COORDINATION.—

(1) EXPORT FINANCING PROGRAMS.—In coordination with the Secretary of Agri-

culture, the Administrator shall develop a program to cross-train export finance specialists and personnel from the Office of International Trade of the Administration on the export financing programs of the Department of Agriculture and the Foreign Agricultural Service.

(2) EXPORT ASSISTANCE AND BUSINESS COUNSELING PROGRAMS.—In coordination with the Secretary of Agriculture and the Foreign Agricultural Service, the Administrator shall develop a program to cross-train export finance specialists, personnel from the Office of International Trade of the Administration, Small Business Development Centers, women's business centers, the Service Corps of Retired Executives authorized by section 8(b)(1) of the Small Business Act (15 U.S.C. 637(b)(1)), Export Assistance Centers, and other resource partners of the Administration on the export assistance and business counseling programs of the Department of Agriculture.

(b) REPORT ON LENDERS.—Section 7(a)(16)(F) of the Small Business Act (15 U.S.C. 636(a)(16)(F)) is amended—

(1) in clause (i)—

(A) by redesignating subclauses (I) through (III) as items (aa) through (cc), respectively, and adjusting the margins accordingly;

(B) by striking “list, have made” and inserting the following: “list—

“(I) have made”;

(C) in item (cc), as so redesignated, by striking the period at the end and inserting “; and”;

(D) by adding at the end the following:

“(II) were located in a rural area, as that term is defined in section 1393(a)(2) of the Internal Revenue Code of 1986, or a nonmetropolitan statistical area and have made—

“(aa) loans guaranteed by the Administration; or

“(bb) loans through the programs offered by the United States Department of Agriculture or the Foreign Agricultural Service.”; and

(2) in clause (ii)(II), by inserting “and by resource partners of the Administration” after “the Administration”.

(c) COOPERATION WITH SMALL BUSINESS DEVELOPMENT CENTERS.—Section 21(c)(3)(M) of the Small Business Act (15 U.S.C. 648(c)(3)(M)) is amended by inserting after “the Department of Commerce,” the following: “the Department of Agriculture.”

(d) LIST OF RURAL EXPORT ASSISTANCE RESOURCES.—Section 22(c)(7) of the Small Business Act (15 U.S.C. 649(c)(7)) is amended—

(1) in subparagraph (C), by striking “and” at the end;

(2) by redesignating subparagraph (D) as subparagraph (E); and

(3) by inserting after subparagraph (C) the following:

“(D) publishing an annual list of relevant resources and programs of the district and regional offices of the Administration, other Federal agencies, the small business development center network, Export Assistance Centers, the network of women's business centers, chapters of the Service Corps of Retired Executives, State and local export promotion programs, and partners in the private sector, that—

“(i) are administered or offered by entities located in rural or nonmetropolitan statistical areas; and

“(ii) offer export assistance or business counseling services to rural small businesses concerns; and”.

**SEC. 308. REGISTRY OF EXPORT MANAGEMENT AND EXPORT TRADING COMPANIES.**

(a) COORDINATION WITH EXPORT MANAGEMENT COMPANIES AND EXPORT TRADING COMPANIES.—Not later than 1 year after the date of enactment of this Act, the Administrator shall establish a program to register export

management companies, as that term is defined by the Department of Commerce, and export trading companies, as that term is defined in section 103 of the Export Trading Company Act of 1982 (15 U.S.C. 4002).

(b) REQUIREMENTS.—The program established under subsection (a) shall—

(1) be similar to the program of the Administration for registering franchise companies, as in effect on the date of enactment of this Act; and

(2) require that a list of the export management companies and export trading companies that register under the program, categorized by the type of product exported by the company, be made available on the website of the Administration.

**SEC. 309. REVERSE TRADE MISSIONS.**

Section 22(c) of the Small Business Act (15 U.S.C. 649(c)) is amended—

(1) in paragraph (12), by striking “and” at the end;

(2) in paragraph (13), by striking the period at the end and inserting “; and”;

(3) by adding at the end the following:

“(14) in coordination with other relevant Federal agencies, encourage the participation of employees and resource partners of the Administration in reverse trade missions hosted or sponsored by the Federal Government.”.

**SEC. 310. STATE TRADE AND EXPORT PROMOTION GRANT PROGRAM.**

Section 1207(a)(5) of the Small Business Jobs Act of 2010 (15 U.S.C. 649b note) is amended by inserting after “Guam,” the following: “the Commonwealth of the Northern Mariana Islands.”.

**SEC. 311. PROMOTION OF INTERAGENCY DETAILS.**

It is the sense of Congress that the Administrator should periodically detail staff of the Administration to other Federal agencies that are members of the Trade Promotion Coordinating Committee, to facilitate the cross training of the staff of the Administration on the export assistance programs of such other agencies.

**SEC. 312. ANNUAL EXPORT STRATEGY.**

Section 22 of the Small Business Act (15 U.S.C. 649), as amended by section 305 of this division, is amended by adding at the end the following:

“(m) SMALL BUSINESS TRADE STRATEGY.—

“(1) DEVELOPMENT OF SMALL BUSINESS TRADE STRATEGY.—The Associate Administrator shall develop and maintain a small business trade strategy that is included in the report on the governmentwide strategic plan for Federal trade promotion required to be submitted to Congress by the Trade Promotion Coordinating Committee under section 2312(f)(1) of the Export Enhancement Act of 1988 (15 U.S.C. 4727(f)(1)) that includes, at a minimum—

“(A) strategies to increase export opportunities for small business concerns, including a specific strategy to increase opportunities for small business concerns that are new to exporting;

“(B) recommendations to increase the competitiveness in the global economy of small business concerns in the United States that are part of industries in which small business concerns account for a high proportion of participating businesses;

“(C) recommendations to protect small business concerns from unfair trade practices, including intellectual property violations;

“(D) recommendations for strategies to promote and facilitate opportunities in the foreign markets that are most accessible for small business concerns that are new to exporting; and

“(E) strategies to expand the representation of small business concerns in the formation and implementation of United States trade policy.

“(2) ANNUAL REPORT TO CONGRESS.—At the beginning of each fiscal year, the Associate Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the small business trade strategy required under paragraph (1), which shall contain, at a minimum—

“(A) a description of each strategy and recommendation described in paragraph (1);

“(B) specific policies and objectives, together with timelines for the implementation of such policies and objectives; and

“(C) a description of the progress of the Administration in implementing the strategies and recommendations contained in the report submitted for the preceding fiscal year.”.

#### TITLE IV—ACCESS TO MENTORING, EDUCATION, AND STRATEGIC PARTNERSHIPS

##### Subtitle A—Measuring the Effectiveness of Resource Partners

###### SEC. 411. EXPANDING ENTREPRENEURSHIP.

Section 4 of the Small Business Act (15 U.S.C. 633), as amended by this division, is amended by adding at the end the following:

“(h) MANAGEMENT AND DIRECTION.—

“(1) PLAN FOR ENTREPRENEURIAL DEVELOPMENT AND JOB CREATION STRATEGY.—

“(A) PLAN REQUIRED.—The Administrator, in consultation with a representative from each entrepreneurial development program of the Administration, shall develop and submit to Congress a plan for using the entrepreneurial development programs of the Administration to create jobs during fiscal years 2013 and 2014.

“(B) CONTENTS OF PLAN.—The plan required under subparagraph (A) shall—

“(i) include the plan of the Administrator for using existing programs, including small business development centers, women’s business centers, the Service Corps of Retired Executives authorized by section 8(b)(1), Veterans Business Outreach Centers, and programs of the Office of Native American Affairs, to create jobs;

“(ii) identify a strategy for each region of the Administration to use programs of the Administration to create or retain jobs in the region; and

“(iii) establish performance measures and criteria, including goals for job creation, job retention, and job retraining, to evaluate the success of the plan.

“(2) DATA COLLECTION PROCESS.—

“(A) IN GENERAL.—The Administrator shall, after notice and opportunity for comment, promulgate a rule to develop and implement a consistent data collection process for the entrepreneurial development programs.

“(B) CONTENTS.—The data collection process developed under subparagraph (A) shall collect data relating to job creation and performance and any other data determined appropriate by the Administrator.

“(3) COORDINATION AND ALIGNMENT OF SBA ENTREPRENEURIAL DEVELOPMENT PROGRAMS.—The Administrator, in consultation with other Federal departments and agencies as the Administrator determines is appropriate, shall submit an annual report to Congress describing opportunities to foster coordination of, limit duplication among, and improve program delivery for Federal entrepreneurial development programs.

“(4) DATABASE OF ENTREPRENEURIAL DEVELOPMENT SERVICE PROVIDERS.—

“(A) ESTABLISHMENT.—After providing a period of 60 days for public comment, the Administrator shall—

“(i) establish a database of providers of entrepreneurial development services; and

“(ii) make the database available through the website of the Administration.

“(B) SEARCHABILITY.—The database established under subparagraph (A) shall be searchable by industry, geographic location, and service required.

“(5) COMMUNITY SPECIALIST.—

“(A) DESIGNATION.—The Administrator shall designate not fewer than 1 staff member in each district office of the Administration as a community specialist whose full-time responsibility is working with local providers of entrepreneurial development services to increase coordination with Federal entrepreneurial development programs.

“(B) PERFORMANCE.—The Administrator shall develop benchmarks for measuring the performance of community specialists under this paragraph.”.

##### Subtitle B—Women’s Small Business Ownership

###### SEC. 421. SHORT TITLE.

This subtitle may be cited as the “Women’s Small Business Ownership Act of 2012”.

###### SEC. 422. DEFINITION.

In this subtitle, the term “Administrator” means the Administrator of the Small Business Administration.

###### SEC. 423. OFFICE OF WOMEN’S BUSINESS OWNERSHIP.

(a) IN GENERAL.—Section 29(g) of the Small Business Act (15 U.S.C. 656(g)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B)—

(i) in clause (i), by striking “in the areas” and all that follows through the end of subclause (I), and inserting the following: “to address issues concerning the management, operations, manufacturing, technology, finance, retail and product sales, international trade, Government contracting, and other disciplines required for—

“(I) starting, operating, and increasing the business of a small business concern;”;

(ii) in clause (ii), by striking “Women’s Business Center program” each place that term appears and inserting “women’s business center program”; and

(B) in subparagraph (C), by inserting before the period at the end the following: “, the National Women’s Business Council, and any association of women’s business centers”; and

(2) by adding at the end the following:

“(3) TRAINING.—The Administrator may provide annual programmatic and financial examination training for women’s business ownership representatives and district office technical representatives of the Administration to enable representatives to carry out their responsibilities.

“(4) PROGRAM AND TRANSPARENCY IMPROVEMENTS.—The Administrator shall maximize the transparency of the women’s business center financial assistance proposal process and the programmatic and financial examination process by—

“(A) providing public notice of any announcement for financial assistance under subsection (b) or a grant under subsection (1) not later than the end of the first quarter of each fiscal year;

“(B) in the announcement described in subparagraph (A), outlining award and program evaluation criteria and describing the weighting of the criteria for financial assistance under subsection (b) and grants under subsection (1);

“(C) minimizing paperwork and reporting requirements for applicants for and recipients of financial assistance under this section;

“(D) standardizing the programmatic and financial examination process; and

“(E) providing to each women’s business center, not later than 60 days after the completion of a site visit to the women’s business center (whether conducted for an audit, performance review, or other reason), a copy of any site visit reports or evaluation reports prepared by district office technical representatives or officers or employees of the Administration.”.

(b) CHANGE OF TITLE.—

(1) IN GENERAL.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(A) in subsection (a)—

(i) by striking paragraphs (1) and (4);

(ii) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively; and

(iii) by inserting before paragraph (4), as so redesignated, the following:

“(2) the term ‘Director’ means the Director of the Office of Women’s Business Ownership established under subsection (g);”;

(B) by striking “Assistant Administrator” each place that term appears and inserting “Director”; and

(C) in subsection (g)(2), in the paragraph heading, by striking “ASSISTANT ADMINISTRATOR” and inserting “DIRECTOR”.

(2) WOMEN’S BUSINESS OWNERSHIP ACT OF 1988.—Title IV of the Women’s Business Ownership Act of 1988 (15 U.S.C. 7101 et seq.) is amended—

(A) in section 403(a)(2)(B), by striking “Assistant Administrator” and inserting “Director”;

(B) in section 405, by striking “Assistant Administrator” and inserting “Director”; and

(C) in section 406(c), by striking “Assistant Administrator” and inserting “Director”.

###### SEC. 424. WOMEN’S BUSINESS CENTER PROGRAM.

(a) WOMEN’S BUSINESS CENTER FINANCIAL ASSISTANCE.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(1) in subsection (a), as amended by section 423(b) of this division—

(A) by inserting before paragraph (2) the following:

“(1) the term ‘association of women’s business centers’ means an organization—

“(A) that represents not less than 51 percent of the women’s business centers that participate in a program under this section; and

“(B) whose primary purpose is to represent women’s business centers;”;

(B) by inserting after paragraph (2) the following:

“(3) the term ‘eligible entity’ means—

“(A) a private nonprofit organization;

“(B) a State, regional, or local economic development organization;

“(C) a development, credit, or finance corporation chartered by a State;

“(D) a junior or community college, as defined in section 312(f) of the Higher Education Act of 1965 (20 U.S.C. 1058(f)); or

“(E) any combination of entities listed in subparagraphs (A) through (D);”;

(C) by adding after paragraph (5) the following:

“(6) the term ‘women’s business center’ means a project conducted by an eligible entity under this section.”;

(2) in subsection (b)—

(A) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), and adjusting the margins accordingly;

(B) by striking “The Administration” and all that follows through “5-year projects” and inserting the following:

“(1) IN GENERAL.—The Administration may provide financial assistance to an eligible entity to conduct a project under this section”;

(C) by striking “The projects shall” and inserting the following:

“(2) USE OF FUNDS.—The project shall be designed to provide training and counseling that meets the needs of women, especially socially and economically disadvantaged women, and shall”; and

(D) by adding at the end the following:

“(3) AMOUNT OF FINANCIAL ASSISTANCE.—

“(A) IN GENERAL.—The Administrator may award financial assistance under this subsection of not less than \$100,000 and not more than \$150,000 per year.

“(B) LOWER AMOUNT.—The Administrator may award financial assistance under this subsection to a recipient in an amount that is less than \$100,000 if the Administrator determines that the recipient is unable to make a non-Federal contribution of \$100,000 or more, as required under subsection (c).

“(C) EQUAL ALLOCATIONS.—If the Administration has insufficient funds to provide financial assistance of not less than \$100,000 for each recipient of financial assistance under this subsection in any fiscal year, the Administrator shall provide an equal amount of financial assistance to each recipient in the fiscal year, unless a recipient requests a lower amount than the allocated amount.

“(4) CONSULTATION WITH ASSOCIATIONS OF WOMEN’S BUSINESS CENTERS.—The Administrator shall consult with each association of women’s business centers to develop—

“(A) a training program for the staff of women’s business centers and the Administration; and

“(B) recommendations to improve the policies and procedures for governing the general operations and administration of the women’s business center program, including grant program improvements under subsection (g)(4).”;

(3) in subsection (c)—

(A) in paragraph (1) by striking “the recipient organization” and inserting “an eligible entity”;

(B) in paragraph (3), in the second sentence, by striking “a recipient organization” and inserting “an eligible entity”;

(C) in paragraph (4)—

(i) by striking “recipient of assistance” and inserting “eligible entity”;

(ii) by striking “such organization” and inserting “the eligible entity”;

(iii) by striking “recipient” and inserting “eligible entity”;

(D) in paragraph (5)—

(i) in subparagraph (A), by striking “a recipient organization” and inserting “an eligible entity”;

(ii) by striking “the recipient organization” each place it appears and inserting “the eligible entity”;

(E) by adding at end the following:

“(6) SEPARATION OF PROJECT AND FUNDS.—An eligible entity shall—

“(A) carry out a project under this section separately from other projects, if any, of the eligible entity; and

“(B) separately maintain and account for any financial assistance under this section.”;

(4) in subsection (e)—

(A) by striking “applicant organization” and inserting “eligible entity”;

(B) by striking “a recipient organization” and inserting “an eligible entity”;

(C) by striking “site”;

(5) by striking subsection (f) and inserting the following:

“(f) APPLICATIONS AND CRITERIA FOR INITIAL FINANCIAL ASSISTANCE.—

“(1) APPLICATION.—Each eligible entity desiring financial assistance under subsection (b) shall submit to the Administrator an application that contains—

“(A) a certification that the eligible entity—

“(i) has designated an executive director or program manager, who may be compensated using financial assistance under subsection

(b) or other sources, to manage the center on a full-time basis;

“(ii) as a condition of receiving financial assistance under subsection (b), agrees—

“(I) to receive a site visit by the Administrator as part of the final selection process;

“(II) to undergo an annual programmatic and financial examination; and

“(III) to the maximum extent practicable, to remedy any problems identified pursuant to the site visit or examination under subclause (I) or (II); and

“(iii) meets the accounting and reporting requirements established by the Director of the Office of Management and Budget;

“(B) information demonstrating that the eligible entity has the ability and resources to meet the needs of the market to be served by the women’s business center for which financial assistance under subsection (b) is sought, including the ability to obtain the non-Federal contribution required under subsection (c);

“(C) information relating to the assistance to be provided by the women’s business center for which financial assistance under subsection (b) is sought in the area in which the women’s business center is located;

“(D) information demonstrating the experience and effectiveness of the eligible entity in—

“(i) conducting financial, management, and marketing assistance programs, as described in subsection (b)(2), which are designed to teach or upgrade the business skills of women who are business owners or potential business owners;

“(ii) providing training and services to a representative number of women who are socially and economically disadvantaged; and

“(iii) working with resource partners of the Administration and other entities, such as universities; and

“(E) a 5-year plan that describes the ability of the women’s business center for which financial assistance is sought—

“(i) to serve women who are business owners or potential business owners by conducting training and counseling activities; and

“(ii) to provide training and services to a representative number of women who are socially and economically disadvantaged.

“(2) ADDITIONAL INFORMATION.—The Administrator shall make any request for additional information from an organization applying for financial assistance under subsection (b) that was not requested in the original announcement in writing.

“(3) REVIEW AND APPROVAL OF APPLICATIONS FOR INITIAL FINANCIAL ASSISTANCE.—

“(A) IN GENERAL.—The Administrator shall—

“(i) review each application submitted under paragraph (1), based on the information described in such paragraph and the criteria set forth under subparagraph (B) of this paragraph; and

“(ii) to the extent practicable, as part of the final selection process, conduct a site visit to each women’s business center for which financial assistance under subsection (b) is sought.

“(B) SELECTION CRITERIA.—

“(i) IN GENERAL.—The Administrator shall evaluate applicants for financial assistance under subsection (b) in accordance with selection criteria that are—

“(I) established before the date on which applicants are required to submit the applications;

“(II) stated in terms of relative importance; and

“(III) publicly available and stated in each solicitation for applications for financial assistance under subsection (b) made by the Administrator.

“(ii) REQUIRED CRITERIA.—The selection criteria for financial assistance under subsection (b) shall include—

“(I) the experience of the applicant in conducting programs or ongoing efforts designed to teach or enhance the business skills of women who are business owners or potential business owners;

“(II) the ability of the applicant to begin a project within a minimum amount of time;

“(III) the ability of the applicant to provide training and services to a representative number of women who are socially and economically disadvantaged; and

“(IV) the location for the women’s business center proposed by the applicant, including whether the applicant is located in a State in which there is not a women’s business center receiving funding from the Administration.

“(C) PROXIMITY.—If the principal place of business of an applicant for financial assistance under subsection (b) is located less than 50 miles from the principal place of business of a women’s business center that received funds under this section on or before the date of the application, the applicant shall not be eligible for the financial assistance, unless the applicant submits a detailed written justification of the need for an additional center in the area in which the applicant is located.

“(D) RECORD RETENTION.—The Administrator shall maintain a copy of each application submitted under this subsection for not less than 7 years.”;

(6) in subsection (m)—

(A) by striking paragraph (3) and inserting the following:

“(3) APPLICATION AND APPROVAL FOR RENEWAL GRANTS.—

“(A) SOLICITATION OF APPLICATIONS.—The Administrator shall solicit applications and award grants under this subsection for the first fiscal year beginning after the date of enactment of the Women’s Small Business Ownership Act of 2012, and every third fiscal year thereafter.

“(B) CONTENTS OF APPLICATION.—Each eligible entity desiring a grant under this subsection shall submit to the Administrator an application that contains—

“(i) a certification that the applicant—

“(I) is an eligible entity;

“(II) has designated a full-time executive director or program manager to manage the women’s business center operated by the applicant; and

“(III) as a condition of receiving a grant under this subsection, agrees—

“(aa) to receive a site visit as part of the final selection process;

“(bb) to submit, for the 2 full fiscal years before the date on which the application is submitted, annual programmatic and financial examination reports or certified copies of the compliance supplemental audits under OMB Circular A–133 of the applicant; and

“(cc) to remedy any problem identified pursuant to the site visit or examination under item (aa) or (bb);

“(ii) information demonstrating that the applicant has the ability and resources to meet the needs of the market to be served by the women’s business center for which a grant under this subsection is sought, including the ability to obtain the non-Federal contribution required under paragraph (4)(C);

“(iii) information relating to assistance to be provided by the women’s business center in the area served by the women’s business center for which a grant under this subsection is sought;

“(iv) information demonstrating that the applicant has worked with resource partners of the Administration and other entities;

“(v) a 3-year plan that describes the ability of the women’s business center for which a grant under this subsection is sought—

“(I) to serve women who are business owners or potential business owners by conducting training and counseling activities; and

“(II) to provide training and services to a representative number of women who are socially and economically disadvantaged; and

“(vi) any additional information that the Administrator may reasonably require.

“(C) REVIEW AND APPROVAL OF APPLICATIONS FOR GRANTS.—

“(i) IN GENERAL.—The Administrator shall—

“(I) review each application submitted under subparagraph (B), based on the information described in such subparagraph and the criteria set forth under clause (ii) of this subparagraph; and

“(II) whenever practicable, as part of the final selection process, conduct a site visit to each women’s business center for which a grant under this subsection is sought.

“(ii) SELECTION CRITERIA.—

“(I) IN GENERAL.—The Administrator shall evaluate applicants for grants under this subsection in accordance with selection criteria that are—

“(aa) established before the date on which applicants are required to submit the applications;

“(bb) stated in terms of relative importance; and

“(cc) publicly available and stated in each solicitation for applications for grants under this subsection made by the Administrator.

“(II) REQUIRED CRITERIA.—The selection criteria for a grant under this subsection shall include—

“(aa) the total number of entrepreneurs served by the applicant;

“(bb) the total number of new startup companies assisted by the applicant;

“(cc) the percentage of clients of the applicant that are socially or economically disadvantaged; and

“(dd) the percentage of individuals in the community served by the applicant who are socially or economically disadvantaged.

“(iii) CONDITIONS FOR CONTINUED FUNDING.—In determining whether to make a grant under this subsection, the Administrator—

“(I) shall consider the results of the most recent evaluation of the women’s business center for which a grant under this subsection is sought, and, to a lesser extent, previous evaluations; and

“(II) may withhold a grant under this subsection, if the Administrator determines that the applicant has failed to provide the information required to be provided under this paragraph, or the information provided by the applicant is inadequate.

“(D) NOTIFICATION.—Not later than 60 days after the date of each deadline to submit applications, the Administrator shall approve or deny any application under this paragraph and notify the applicant for each such application of the approval or denial.

“(E) RECORD RETENTION.—The Administrator shall maintain a copy of each application submitted under this paragraph for not less than 7 years.”; and

(B) by striking paragraph (5) and inserting the following:

“(5) AWARD TO PREVIOUS RECIPIENTS.—There shall be no limitation on the number of times the Administrator may award a grant to an applicant under this subsection.”.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(A) in subsection (h)(2), by striking “to award a contract (as a sustainability grant) under subsection (l) or”;

(B) in subsection (j)(1), by striking “The Administration” and inserting “Not later than November 1 of each year, the Administrator”;

(C) in subsection (k)—

(i) by striking paragraphs (1), (2), and (4);

(ii) by redesignating paragraph (3) as paragraph (4); and

(iii) by inserting before paragraph (4), as so redesignated, the following:

“(1) IN GENERAL.—There are authorized to be appropriated to the Administration to carry out this section, to remain available until expended, \$14,500,000 for each of fiscal years 2013, 2014, and 2015.

“(2) USE OF FUNDS.—Amounts made available under this subsection may only be used for grant awards and may not be used for costs incurred by the Administration in connection with the management and administration of the program under this section.

“(3) CONTINUING GRANT AND COOPERATIVE AGREEMENT AUTHORITY.—

“(A) PROMPT DISBURSEMENT.—Upon receiving funds to carry out this section for a fiscal year, the Administrator shall, to the extent practicable, promptly reimburse funds to any women’s business center awarded financial assistance under this section if the center meets the eligibility requirements under this section.

“(B) SUSPENSION OR TERMINATION.—If the Administrator has entered into a grant or cooperative agreement with a women’s business center under this section, the Administrator may not suspend or terminate the grant or cooperative agreement, unless the Administrator—

“(i) provides the women’s business center with written notification setting forth the reasons for that action; and

“(ii) affords the women’s business center an opportunity for a hearing, appeal, or other administrative proceeding under chapter 5 of title 5, United States Code.”;

(D) in subsection (m)—

(i) in paragraph (2), by striking “subsection (b) or (l)” and inserting “this subsection or subsection (b)”;

(ii) in paragraph (4)(D), by striking “or subsection (l)”;

(E) by redesignating subsections (m) and (n), as amended by this division, as subsections (l) and (m), respectively.

(2) PROSPECTIVE REPEAL.—Section 1401(c)(2) of the Small Business Jobs Act of 2010 (15 U.S.C. 636 note) is amended—

(A) in subparagraph (A), by striking “and” at the end;

(B) in subparagraph (B), by striking the period at the end and inserting “; and”;

(C) by adding at the end the following:

“(C) by redesignating paragraph (6), as added by section 424(a)(3)(E) of the Women’s Small Business Ownership Act of 2012, as paragraph (5).”.

(c) EFFECT ON EXISTING GRANTS.—

(1) TERMS AND CONDITIONS.—A nonprofit organization receiving a grant under section 29(m) of the Small Business Act (15 U.S.C. 656(m)), as in effect on the day before the date of enactment of this Act, shall continue to receive the grant under the terms and conditions in effect for the grant on the day before the date of enactment of this Act, except that the nonprofit organization may not apply for a renewal of the grant under section 29(m)(5) of the Small Business Act (15 U.S.C. 656(m)(5)), as in effect on the day before the date of enactment of this Act.

(2) LENGTH OF RENEWAL GRANT.—The Administrator may award a grant under section 29(l) of the Small Business Act, as so redesignated by subsection (b)(1)(E) of this section, to a nonprofit organization receiving a grant

under section 29(m) of the Small Business Act (15 U.S.C. 656(m)), as in effect on the day before the date of enactment of this Act, for the period—

(A) beginning on the day after the last day of the grant agreement under such section 29(m); and

(B) ending at the end of the third fiscal year beginning after the date of enactment of this Act.

#### SEC. 425. STUDY AND REPORT ON ECONOMIC ISSUES FACING WOMEN’S BUSINESS CENTERS.

(a) STUDY.—The Comptroller General of the United States shall conduct a broad study of the unique economic issues facing women’s business centers located in covered areas to identify—

(1) the difficulties such centers face in raising non-Federal funds;

(2) the difficulties such centers face in competing for financial assistance, non-Federal funds, or other types of assistance;

(3) the difficulties such centers face in writing grant proposals; and

(4) other difficulties such centers face because of the economy in the type of covered area in which such centers are located.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to Congress a report containing the results of the study under subsection (a), which shall include recommendations, if any, regarding how to—

(1) address the unique difficulties women’s business centers located in covered areas face because of the type of covered area in which such centers are located;

(2) expand the presence of, and increase the services provided by, women’s business centers located in covered areas; and

(3) best use technology and other resources to better serve women business owners located in covered areas.

(c) DEFINITION OF COVERED AREA.—In this section, the term “covered area” means—

(1) any State that is predominantly rural, as determined by the Administrator;

(2) any State that is predominantly urban, as determined by the Administrator; and

(3) any State or territory that is an island.

#### SEC. 426. STUDY AND REPORT ON OVERSIGHT OF WOMEN’S BUSINESS CENTERS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study of the oversight of women’s business centers by the Administrator, which shall include—

(1) an analysis of the coordination by the Administrator of the activities of women’s business centers with the activities of small business development centers, the Service Corps of Retired Executives, and Veterans Business Outreach Centers;

(2) a comparison of the types of individuals and small business concerns served by women’s business centers and the types of individuals and small business concerns served by small business development centers, the Service Corps of Retired Executives, and Veterans Business Outreach Centers; and

(3) an analysis of performance data for women’s business centers that evaluates how well women’s business centers are carrying out the mission of women’s business centers and serving individuals and small business concerns.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to Congress a report containing the results of the study under subsection (a), which shall include recommendations, if any, for eliminating the duplication of services provided by women’s business centers, small business development centers, the Service Corps of Retired Executives, and Veterans Business Outreach Centers.

**Subtitle C—Strengthening America's Small Business Development Centers**

**SEC. 431. INSTITUTIONS OF HIGHER EDUCATION.**

Section 21 of the Small Business Act (15 U.S.C. 648) is amended—

(1) in subsection (a)(1), by striking “: *Provided*, That” and all that follows through “on such date.” and inserting the following: “. On and after December 31, 2013, the Administrator may only make a grant under this paragraph to an applicant that is an institution of higher education, as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), that is accredited (and not merely in preaccreditation status) by a nationally recognized accrediting agency or association recognized by the Secretary of Education for such purpose in accordance with section 496 of that Act (20 U.S.C. 1099b).”;

(2) in subsection (c)(3)(K), by inserting “public and private institutions of higher education (including universities, community colleges, and junior colleges),” before “local and regional private consultants”.

**SEC. 432. UPDATING FUNDING LEVELS FOR SMALL BUSINESS DEVELOPMENT CENTERS.**

(a) **MINIMUM FUNDING LEVELS.**—Section 21(a)(4)(C) of the Small Business Act (15 U.S.C. 648(a)(4)(C)) is amended—

(1) in clause (iii)—

(A) by striking “\$90,000,000” each place that term appears and inserting “\$98,500,000”;

(B) by striking “\$81,500,000” each place that term appears and inserting “\$90,000,000”;

(C) by striking “\$500,000” each place that term appears and inserting “\$600,000”;

(2) in clause (v)(II), by striking “if the usage” and all that follows through the end of the subclause and inserting a period; and

(3) in clause (v), by striking subclause (I) and inserting the following:

“(I) **IN GENERAL.**—Of the amounts made available in any fiscal year to carry out this section—

“(aa) not more than \$50,000 may be used by the Administration to pay the expenses enumerated in subparagraph (B) of section 20(a)(1);

“(bb) not more than \$500,000 may be used by the Administration to pay the expenses enumerated in subparagraph (C) of section 20(a)(1); and

“(cc) not more than \$250,000 may be used by the Administration to pay the expenses enumerated in subparagraph (D) of section 20(a)(1).”.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 21(a)(4)(C)(vii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(vii)) is amended to read as follows:

“(vii) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this subparagraph—

“(I) \$135,000,000 for fiscal year 2013;

“(II) \$135,000,000 for fiscal year 2014; and

“(III) \$135,000,000 for fiscal year 2015.”.

**SEC. 433. ASSISTANCE TO OUT-OF-STATE SMALL BUSINESSES.**

Section 21(b)(3) of the Small Business Act (15 U.S.C. 648(b)(3)) is amended—

(1) by striking “(3) At the discretion” and inserting the following:

“(3) **ASSISTANCE TO OUT-OF-STATE SMALL BUSINESSES.**—

“(A) **IN GENERAL.**—At the discretion”; and

(2) by adding at the end the following:

“(B) **DISASTER RECOVERY ASSISTANCE.**—

“(i) **IN GENERAL.**—At the discretion of the Administrator, the Administrator may authorize a small business development center to provide assistance, as described in subsection (c), to small business concerns located outside of the State, without regard to

geographic proximity, if the small business concerns are located in an area for which the President has declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), during the period of the declaration.

“(ii) **CONTINUITY OF SERVICES.**—A small business development center that provides counselors to an area described in clause (i) shall, to the maximum extent practicable, ensure continuity of services in any State in which the small business development center otherwise provides services.

“(iii) **ACCESS TO DISASTER RECOVERY FACILITIES.**—For purposes of this subparagraph, the Administrator shall, to the maximum extent practicable, permit the personnel of a small business development center to use any site or facility designated by the Administrator for use to provide disaster recovery assistance.”.

**SEC. 434. TERMINATION OF SMALL BUSINESS DEVELOPMENT CENTER DEFENSE ECONOMIC TRANSITION ASSISTANCE.**

(a) **IN GENERAL.**—Section 21(c)(3) of the Small Business Act (15 U.S.C. 648(c)(3)) is amended—

(1) by striking subparagraph (G); and

(2) by redesignating subparagraphs (H) through (T) as subparagraphs (G) through (S), respectively.

(b) **TECHNICAL AND CONFORMING AMENDMENTS.**—Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) in paragraph (4)(C)(vi), by striking “or (c)(3)(G)”;

(2) in paragraph (6), by striking “subparagraphs (B) through (G) of subsection (c)(3)” and inserting “subparagraphs (B) through (F) of subsection (c)(3)”.

(c) **EXISTING GRANTS.**—Nothing in this section shall affect any grant made to a small business development center before the date of enactment of this Act under section 21(c)(3)(G) of the Small Business Act (15 U.S.C. 648(c)(3)(G)), as in effect on the day before the date of enactment of this Act, and any such grant shall be subject to such section 21(c)(3)(G), as in effect on the day before the date of enactment of this Act.

**SEC. 435. NATIONAL SMALL BUSINESS DEVELOPMENT CENTER ADVISORY BOARD.**

(a) **IN GENERAL.**—Section 21(i)(1) of the Small Business Act (15 U.S.C. 648(i)(1)) is amended—

(1) in the first sentence, by striking “nine members” and inserting “10 members”;

(2) in the second sentence, by striking “six” and inserting “the members who are not from universities or their affiliates”;

(3) by striking the third sentence; and

(4) in the fourth sentence—

(A) by striking “Succeeding Boards” and inserting “The members of the Board”; and

(B) by inserting “not less than” before “one-third”.

(b) **INCUMBENTS.**—An individual serving as a member of the National Small Business Development Center Advisory Board on the date of enactment of this Act may continue to serve on the Board until the end of the term of the member under section 21(i)(1) of the Small Business Act (15 U.S.C. 648(i)(1)), as in effect on the day before such date of enactment.

**SEC. 436. REPEAL OF PAUL D. COVERDELL DRUG-FREE WORKPLACE PROGRAM.**

Section 27 of the Small Business Act (15 U.S.C. 654) is repealed.

**Subtitle D—Terminating the National Veterans Business Development Corporation**

**SEC. 441. NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION.**

(a) **IN GENERAL.**—The Small Business Act (15 U.S.C. 631 et seq.) is amended by striking section 33 (15 U.S.C. 657c).

(b) **CORPORATION.**—On and after the date of enactment of this Act, the National Veterans Business Development Corporation and any successor thereto may not represent that the corporation is federally chartered or in any other manner authorized by the Federal Government.

(c) **TECHNICAL AND CONFORMING AMENDMENTS.**—

(1) **SMALL BUSINESS ACT.**—The Small Business Act (15 U.S.C. 631 et seq.), as amended by this section, is amended—

(A) by redesignating sections 34 through 45 as sections 33 through 44, respectively;

(B) in section 9(k)(1)(D) (15 U.S.C. 638(k)(1)(D)), by striking “section 34(d)” and inserting “section 33(d)”;

(C) in section 33 (15 U.S.C. 657d), as so redesignated—

(i) by striking “section 35” each place it appears and inserting “section 34”;

(ii) in subsection (a)—

(I) in paragraph (2), by striking “section 35(c)(2)(B)” and inserting “section 34(c)(2)(B)”;

(II) in paragraph (4), by striking “section 35(c)(2)” and inserting “section 34(c)(2)”;

(III) in paragraph (5), by striking “section 35(c)” and inserting “section 34(c)”;

(iii) in subsection (h)(2), by striking “section 35(d)” and inserting “section 34(d)”;

(D) in section 34 (15 U.S.C. 657e), as so redesignated—

(i) by striking “section 34” each place it appears and inserting “section 33”; and

(ii) in subsection (c)(1), by striking section “34(c)(1)(E)(ii)” and inserting section “33(c)(1)(E)(ii)”;

(E) in section 36(d) (15 U.S.C. 657i(d)), as so redesignated, by striking “section 43” and inserting “section 42”;

(F) in section 39(d) (15 U.S.C. 657l(d)), as so redesignated, by striking “section 43” and inserting “section 42”;

(G) in section 40(b) (15 U.S.C. 657m(b)), as so redesignated, by striking “section 43” and inserting “section 42”.

(2) **TITLE 10.**—Section 1142(b)(13) of title 10, United States Code, is amended by striking “and the National Veterans Business Development Corporation”.

(3) **TITLE 38.**—Section 3452(h) of title 38, United States Code, is amended by striking “any of the” and all that follows and inserting “any small business development center described in section 21 of the Small Business Act (15 U.S.C. 648), insofar as such center offers, sponsors, or cosponsors an entrepreneurship course, as that term is defined in section 3675(c)(2).”.

(4) **FOOD, CONSERVATION, AND ENERGY ACT OF 2008.**—Section 12072(c)(2) of the Food, Conservation, and Energy Act of 2008 (15 U.S.C. 636g(c)(2)) is amended by striking “section 43 of the Small Business Act, as added by this Act” and inserting “section 42 of the Small Business Act (15 U.S.C. 657o)”.

(5) **VETERANS ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT ACT OF 1999.**—Section 203(c)(5) of the Veterans Entrepreneurship and Small Business Development Act of 1999 (15 U.S.C. 657b note) is amended by striking “In cooperation with the National Veterans Business Development Corporation, develop” and inserting “Develop”.

**TITLE V—ACCESS TO GOVERNMENT CONTRACTING**

**Subtitle A—Bonds**

**SEC. 511. REMOVAL OF SUNSET DATES FOR CERTAIN PROVISIONS OF THE SMALL BUSINESS INVESTMENT ACT OF 1958.**

(a) **MAXIMUM BOND AMOUNT.**—Section 411(a)(1) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(a)(1)) is amended by striking “does not exceed” and all that follows and inserting “does not exceed \$5,000,000.”.

(b) DENIAL OF LIABILITY.—Section 411(e)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(e)(2)) is amended by striking “bonds exceeds” and all that follows and inserting “bonds exceeds \$5,000,000.”

**Subtitle B—Small Business Contracting  
Fraud Prevention**

**SEC. 521. SHORT TITLE.**

This subtitle may be cited as the “Small Business Contracting Fraud Prevention Act of 2012”.

**SEC. 522. DEFINITIONS.**

In this subtitle—

(1) the term “8(a) program” means the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a));

(2) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively;

(3) the terms “HUBZone” and “HUBZone small business concern” and “HUBZone map” have the meanings given those terms in section 3(p) of the Small Business Act (15 U.S.C. 632(p)), as amended by this division; and

(4) the term “recertification” means a determination by the Administrator that a business concern that was previously determined to be a qualified HUBZone small business concern is a qualified HUBZone small business concern under section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)).

**SEC. 523. FRAUD DETERRENCE AT THE SMALL BUSINESS ADMINISTRATION.**

Section 16 of the Small Business Act (15 U.S.C. 645) is amended—

(1) in subsection (d)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “Whoever” and all that follows through “oneself or another” and inserting the following: “A person shall be subject to the penalties and remedies described in paragraph (2) if the person misrepresents the status of any concern or person as a small business concern, a qualified HUBZone small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, a small business concern owned and controlled by women, or a small business concern owned and controlled by service-disabled veterans, in order to obtain for any person”;

(ii) by amending subparagraph (A) to read as follows:

“(A) prime contract, subcontract, grant, or cooperative agreement to be awarded under subsection (a) or (m) of section 8, or section 9, 15, 31, or 35;”;

(iii) by striking subparagraph (B);

(iv) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(v) in subparagraph (C), as so redesignated, by striking “, shall be” and all that follows and inserting a period;

(B) in paragraph (2)—

(i) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(ii) by inserting after subparagraph (B) the following:

“(C) be subject to the civil remedies under subchapter III of chapter 37 of title 31, United States Code (commonly known as the ‘False Claims Act’);”;

(C) by adding at the end the following:

“(3)(A) In the case of a violation of paragraph (1)(A) or subsection (g) or (h), for purposes of a proceeding described in subparagraph (A) or (C) of paragraph (2), the amount of the loss to the Federal Government or the damages sustained by the Federal Government, as applicable, shall be an amount equal to the amount that the Federal Government paid to the person that received a

contract, grant, or cooperative agreement described in paragraph (1)(A), (g), or (h), respectively.

“(B) In the case of a violation of subparagraph (B) or (C) of paragraph (1), for the purpose of a proceeding described in subparagraph (A) or (C) of paragraph (2), the amount of the loss to the Federal Government or the damages sustained by the Federal Government, as applicable, shall be an amount equal to the portion of any payment by the Federal Government under a prime contract that was used for a subcontract described in subparagraph (B) or (C) of paragraph (1), respectively.

“(C) In a proceeding described in subparagraph (A) or (B), no credit shall be applied against any loss or damages to the Federal Government for the fair market value of the property or services provided to the Federal Government.”;

(2) by striking subsection (e) and inserting the following:

“(e) Any representation of the status of any concern or person as a small business concern, a HUBZone small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, a small business concern owned and controlled by women, or a small business concern owned and controlled by service-disabled veterans, in order to obtain any prime contract, subcontract, grant, or cooperative agreement described in subsection (d)(1) shall be made in writing or through the Online Representations and Certifications Application process required under section 4.1201 of the Federal Acquisition Regulation, or any successor thereto.”;

(3) by adding at the end the following:

“(g) A person shall be subject to the penalties and remedies described in subsection (d)(2) if the person misrepresents the status of any concern or person as a small business concern, a qualified HUBZone small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, a small business concern owned and controlled by women, or a small business concern owned and controlled by service-disabled veterans—

“(1) in order to allow any person to participate in any program of the Administration; or

“(2) in relation to a protest of a contract award or proposed contract award made under regulations issued by the Administration.

“(h)(1) A person that submits a request for payment on a contract or subcontract that is awarded under subsection (a) or (m) of section 8, or section 9, 15, 31, or 35, shall be deemed to have submitted a certification that the person complied with regulations issued by the Administration governing the percentage of work that the person is required to perform on the contract or subcontract, unless the person states, in writing, that the person did not comply with the regulations.

“(2) A person shall be subject to the penalties and remedies described in subsection (d)(2) if the person—

“(A) uses the services of a business other than the business awarded the contract or subcontract to perform a greater percentage of work under a contract than is permitted by regulations issued by the Administration; or

“(B) willfully participates in a scheme to circumvent regulations issued by the Administration governing the percentage of work that a contractor is required to perform on a contract.”.

**SEC. 524. VETERANS INTEGRITY IN CONTRACTING.**

(a) DEFINITION.—Section 3(q)(1) of the Small Business Act (15 U.S.C. 632(q)(1)) is

amended by striking “means a veteran” and all that follows and inserting the following: “means—

“(A) a veteran with a service-connected disability rated by the Secretary of Veterans Affairs as zero percent or more disabling; or

“(B) a former member of the Armed Forces who is retired, separated, or placed on the temporary disability retired list for physical disability under chapter 61 of title 10, United States Code.”.

(b) VETERANS CONTRACTING.—Section 4 of the Small Business Act (15 U.S.C. 633), as amended by this division, is amended by adding at the end the following:

“(i) VETERAN STATUS.—

“(1) IN GENERAL.—A business concern seeking status as a small business concern owned and controlled by service-disabled veterans shall—

“(A) submit an annual certification indicating that the business concern is a small business concern owned and controlled by service-disabled veterans by means of the Online Representations and Certifications Application process required under section 4.1201 of the Federal Acquisition Regulation, or any successor thereto; and

“(B) register with—

“(i) the Central Contractor Registration database maintained under subpart 4.11 of the Federal Acquisition Regulation, or any successor thereto; and

“(ii) the VetBiz database of the Department of Veterans Affairs, or any successor thereto.

“(2) VERIFICATION OF STATUS.—

“(A) VETERANS AFFAIRS.—The Secretary of Veterans Affairs shall determine whether a business concern registered with the VetBiz database of the Department of Veterans Affairs, or any successor thereto, as a small business concern owned and controlled by veterans or a small business concern owned and controlled by service-disabled veterans is owned and controlled by a veteran or a service-disabled veteran, as the case may be.

“(B) FEDERAL AGENCIES GENERALLY.—The head of each Federal agency shall—

“(i) for a sole source contract awarded to a small business concern owned and controlled by service-disabled veterans or a contract awarded with competition restricted to small business concerns owned and controlled by service-disabled veterans under section 35, determine whether a business concern submitting a proposal for the contract is a small business concern owned and controlled by service-disabled veterans; and

“(ii) use the VetBiz database of the Department of Veterans Affairs, or any successor thereto, in determining whether a business concern is a small business concern owned and controlled by service-disabled veterans.

“(3) DEBARMENT AND SUSPENSION.—If the Administrator determines that a business concern knowingly and willfully misrepresented that the business concern is a small business concern owned and controlled by service-disabled veterans, the Administrator may debar or suspend the business concern from contracting with the United States.”.

(c) INTEGRATION OF DATABASES.—The Administrator for Federal Procurement Policy and the Secretary of Veterans Affairs shall ensure that data is shared on an ongoing basis between the VetBiz database of the Department of Veterans Affairs and the Central Contractor Registration database maintained under subpart 4.11 of the Federal Acquisition Regulation.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (b) and the requirements under subsection (c) shall take effect on the date on which the Secretary of Veterans Affairs (referred to in this subsection as the “Secretary”) publishes in the Federal Register a

determination that the Department of Veterans Affairs has the necessary resources and capacity to carry out the additional responsibility of determining whether small business concerns registered with the VetBiz database of the Department of Veterans Affairs are owned and controlled by a veteran or a service-disabled veteran, as the case may be, in accordance with subsection (i) of section 4 of the Small Business Act (15 U.S.C. 633), as added by subsection (b).

(2) **TIMELINE.**—If the Secretary determines that the Secretary is not able to publish the determination under paragraph (1) before the date that is 1 year after the date of enactment of this Act, the Secretary shall, not later than 1 year after the date of enactment of this Act, submit a report containing an estimate of the date on which the Secretary will publish the determination under paragraph (1) to the Committee on Small Business and Entrepreneurship and the Committee on Veterans' Affairs of the Senate and the Committee on Small Business and the Committee on Veterans' Affairs of the House of Representatives.

**SEC. 525. SECTION 8(a) PROGRAM IMPROVEMENTS.**

(a) **REVIEW OF EFFECTIVENESS.**—Section 8(a) of the Small Business Act (15 U.S.C. 637(a)) is amended by adding at the end the following:

“(22) Not later than 3 years after the date of enactment of this paragraph, and every 3 years thereafter, the Comptroller General of the United States shall—

“(A) conduct an evaluation of the effectiveness of the program under this subsection, including an examination of—

“(i) the number and size of contracts applied for, as compared to the number received by, small business concerns after successfully completing the program;

“(ii) the percentage of small business concerns that continue to operate during the 3-year period beginning on the date on which the small business concerns successfully complete the program;

“(iii) whether the business of small business concerns increases during the 3-year period beginning on the date on which the small business concerns successfully complete the program; and

“(iv) the number of training sessions offered under the program; and

“(B) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding each evaluation under subparagraph (A).”.

(b) **OTHER IMPROVEMENTS.**—In order to improve the 8(a) program, the Administrator shall—

(1) not later than 90 days after the date of enactment of this Act, begin to—

(A) evaluate the feasibility of—

(i) using additional third-party data sources;

(ii) making unannounced visits of sites that are selected randomly or using risk-based criteria;

(iii) using fraud detection tools, including data-mining techniques; and

(iv) conducting financial and analytical training for the business opportunity specialists of the Administration;

(B) evaluate the feasibility and advisability of amending regulations applicable to the 8(a) program to require that calculations of the adjusted net worth or total assets of an individual include assets held by the spouse of the individual; and

(C) develop a more consistent enforcement strategy that includes the suspension or debarment of contractors that knowingly make misrepresentations in order to qualify for the 8(a) program; and

(2) not later than 1 year after the date on which the Comptroller General submits the report under section 8(a)(22)(B) of the Small Business Act, as added by subsection (c), issue, in final form, proposed regulations of the Administration that—

(A) determine the economic disadvantage of a participant in the 8(a) program based on the income and asset levels of the participant at the time of application and annual recertification for the 8(a) program; and

(B) limit the ability of a small business concern to participate in the 8(a) program if an immediate family member of an owner of the small business concern is, or has been, a participant in the 8(a) program, in the same industry.

**SEC. 526. HUBZONE IMPROVEMENTS.**

(a) **PURPOSE.**—The purpose of this section is to reform and improve the HUBZone program of the Administration.

(b) **IN GENERAL.**—The Administrator shall—

(1) ensure the HUBZone map is—

(A) accurate and up-to-date; and

(B) revised as new data is made available to maintain the accuracy and currency of the HUBZone map;

(2) implement policies for ensuring that only HUBZone small business concerns determined to be qualified under section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)) are participating in the HUBZone program, including through the appropriate use of technology to control costs and maximize, among other benefits, uniformity, completeness, simplicity, and efficiency;

(3) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding any application to be designated as a HUBZone small business concern or for recertification for which the Administrator has not made a determination as of the date that is 60 days after the date on which the application was submitted or initiated, which shall include a plan and timetable for ensuring the timely processing of the applications; and

(4) develop measures and implement plans to assess the effectiveness of the HUBZone program that—

(A) require the identification of a baseline point in time to allow the assessment of economic development under the HUBZone program, including creating additional jobs; and

(B) take into account—

(i) the economic characteristics of the HUBZone; and

(ii) contracts being counted under multiple socioeconomic subcategories.

(c) **EMPLOYMENT PERCENTAGE.**—Section 3(p) of the Small Business Act (15 U.S.C. 632(p)) is amended—

(1) in paragraph (5), by adding at the end the following:

“(E) **EMPLOYMENT PERCENTAGE DURING INTERIM PERIOD.**—

“(i) **DEFINITION.**—In this subparagraph, the term ‘interim period’ means the period beginning on the date on which the Administrator determines that a HUBZone small business concern is qualified under subparagraph (A) and ending on the day before the date on which a contract under the HUBZone program for which the HUBZone small business concern submits a bid is awarded.

“(ii) **INTERIM PERIOD.**—During the interim period, the Administrator may not determine that the HUBZone small business is not qualified under subparagraph (A) based on a failure to meet the applicable employment percentage under subparagraph (A)(i)(I), unless the HUBZone small business concern—

“(I) has not attempted to maintain the applicable employment percentage under subparagraph (A)(i)(I); or

“(II) does not meet the applicable employment percentage—

“(aa) on the date on which the HUBZone small business concern submits a bid for a contract under the HUBZone program; or

“(bb) on the date on which the HUBZone small business concern is awarded a contract under the HUBZone program.”; and

(2) by adding at the end the following:

“(8) **HUBZONE PROGRAM.**—The term ‘HUBZone program’ means the program established under section 31.

“(9) **HUBZONE MAP.**—The term ‘HUBZone map’ means the map used by the Administration to identify HUBZones.”.

(d) **REDESIGNATED AREAS.**—Section 3(p)(4)(C)(i) of the Small Business Act (15 U.S.C. 632(p)(4)(C)(i)) is amended to read as follows:

“(i) 3 years after the first date on which the Administrator publishes a HUBZone map that is based on the results from the 2010 decennial census; or”.

**SEC. 527. ANNUAL REPORT ON SUSPENSION, DEBARMENT, AND PROSECUTION.**

The Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that contains—

(1) the number of debarments from participation in programs of the Administration issued by the Administrator during the 1-year period preceding the date of the report, including—

(A) the number of debarments that were based on a conviction; and

(B) the number of debarments that were fact-based and did not involve a conviction;

(2) the number of suspensions from participation in programs of the Administration issued by the Administrator during the 1-year period preceding the date of the report, including—

(A) the number of suspensions issued that were based upon indictments; and

(B) the number of suspensions issued that were fact-based and did not involve an indictment;

(3) the number of suspension and debarments issued by the Administrator during the 1-year period preceding the date of the report that were based upon referrals from offices of the Administration, other than the Office of Inspector General;

(4) the number of suspension and debarments issued by the Administrator during the 1-year period preceding the date of the report based upon referrals from the Office of Inspector General; and

(5) the number of persons that the Administrator declined to debar or suspend after a referral described in paragraph (8), and the reason for each such decision.

**Subtitle C—Fairness in Women-Owned Small Business Contracting**

**SEC. 531. SHORT TITLE.**

This subtitle may be cited as the “Fairness in Women-Owned Small Business Contracting Act of 2012”.

**SEC. 532. PROCUREMENT PROGRAM FOR WOMEN-OWNED SMALL BUSINESS CONCERNS.**

Section 8(m) of the Small Business Act (15 U.S.C. 637(m)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking “who are economically disadvantaged”;

(B) in subparagraph (C), by striking “paragraph (3)” and inserting “paragraph (4)”;

(C) by striking subparagraph (D); and

(D) by redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively; and

(2) by adding at the end the following:

“(7) SOLE SOURCE CONTRACTS.—A contracting officer may award a sole source contract under this subsection to a small business concern owned and controlled by women under the same conditions as a sole source contract may be awarded to a qualified HUBZone small business concern under section 31(b)(2)(A).”

**SEC. 533. STUDY AND REPORT ON REPRESENTATION OF WOMEN.**

Section 29 of the Small Business Act (15 U.S.C. 656), as amended by section 424 of this division, is amended by adding at the end the following:

“(n) STUDY AND REPORT ON REPRESENTATION OF WOMEN.—

“(1) STUDY.—The Administrator shall periodically conduct a study to identify any United States industry, as defined under the North American Industry Classification System, in which women are underrepresented.

“(2) REPORT.—Not later than 5 years after the date of enactment of this subsection, and every 5 years thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the results of each study under paragraph (1) conducted during the 5-year period ending on the date of the report.”

**Subtitle D—Small Business Champion**

**SEC. 541. SHORT TITLE.**

This subtitle may be cited as the “Small Business Champion Act of 2012”.

**SEC. 542. OFFICES OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION.**

(a) APPOINTMENT AND POSITION OF DIRECTOR.—Section 15(k)(2) of the Small Business Act (15 U.S.C. 644(k)(2)) is amended by striking “such agency,” and inserting “such agency to a position that is a Senior Executive Service position (as such term is defined under section 3132(a) of title 5, United States Code), except that, for any agency in which the positions of Chief Acquisition Officer and senior procurement executive (as such terms are defined under section 43(a) of this Act) are not Senior Executive Service positions, the Director of Small and Disadvantaged Business Utilization may be appointed to a position compensated at not less than the minimum rate of basic pay payable for grade GS-15 of the General Schedule under section 5332 of such title (including comparability payments under section 5304 of such title);”.

(b) PERFORMANCE APPRAISALS.—Section 15(k)(3) of the Small Business Act (15 U.S.C. 644(k)(3)) is amended—

(1) by striking “be responsible only to, and report directly to, the head” and inserting “shall be responsible only to (including with respect to performance appraisals), and report directly and exclusively to, the head”; and

(2) by striking “be responsible only to, and report directly to, such Secretary” and inserting “be responsible only to (including with respect to performance appraisals), and report directly and exclusively to, such Secretary”.

(c) SMALL BUSINESS TECHNICAL ADVISERS.—Section 15(k)(8)(B) of the Small Business Act (15 U.S.C. 644(k)(8)(B)) is amended by striking “and 15 of this Act,” and inserting “, 15, and 43 of this Act;”.

(d) ADDITIONAL REQUIREMENTS.—Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) is amended by inserting after paragraph (10) the following:

“(11) shall review and advise such agency on any decision to convert an activity performed by a small business concern to an activity performed by a Federal employee;

“(12) shall provide to the Chief Acquisition Officer and senior procurement executive of such agency advice and comments on acqui-

sition strategies, market research, and justifications related to section 43 of this Act;

“(13) may provide training to small business concerns and contract specialists, except that such training may only be provided to the extent that the training does not interfere with the Director carrying out other responsibilities under this subsection;

“(14) shall carry out exclusively the duties enumerated in this Act, and shall, while the Director, not hold any other title, position, or responsibility, except as necessary to carry out responsibilities under this subsection;

“(15) shall submit, each fiscal year, to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report describing—

“(A) the training provided by the Director under paragraph (13) in the most recently completed fiscal year;

“(B) the percentage of the budget of the Director used for such training in the most recently completed fiscal year; and

“(C) the percentage of the budget of the Director used for travel in the most recently completed fiscal year; and

“(16) shall have not less than 10 years of relevant procurement experience.”

(e) TECHNICAL AMENDMENTS.—Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), as amended by subsection (d), is further amended—

(1) in the matter preceding paragraph (1) by striking “who shall” and inserting “who”;

(2) in paragraph (1)—  
(A) by striking “be known” and inserting “shall be known”; and

(B) by striking “such agency,” and inserting “such agency;”;

(3) in paragraph (2) by striking “be appointed by” and inserting “shall be appointed by”;

(4) in paragraph (3)—  
(A) by striking “director” and inserting “Director”; and

(B) by striking “Secretary’s designee,” and inserting “Secretary’s designee;”;

(5) in paragraph (4)—  
(A) by striking “be responsible” and inserting “shall be responsible”; and

(B) by striking “such agency,” and inserting “such agency;”;

(6) in paragraph (5) by striking “identify proposed” and inserting “shall identify proposed”;

(7) in paragraph (6) by striking “assist small” and inserting “shall assist small”;

(8) in paragraph (7)—  
(A) by striking “have supervisory” and inserting “shall have supervisory”; and

(B) by striking “this Act,” and inserting “this Act;”;

(9) in paragraph (8)—  
(A) by striking “assign a” and inserting “shall assign a”; and

(B) by striking “the activity, and” and inserting “the activity; and”;

(10) in paragraph (9)—  
(A) by striking “cooperate, and” and inserting “shall cooperate, and”; and

(B) by striking “subsection, and” and inserting “subsection;”;

(11) in paragraph (10)—  
(A) by striking “make recommendations” and inserting “shall make recommendations”;

(B) by striking “subsection (a), or section” and inserting “subsection (a), section”;

(C) by striking “Act or section 2323” and inserting “Act, or section 2323”;

(D) by striking “Code. Such recommendations shall” and inserting “Code, which shall”; and

(E) by striking “contract file.” and inserting “contract file;”.

**SEC. 543. SMALL BUSINESS PROCUREMENT ADVISORY COUNCIL.**

(a) DUTIES.—Section 7104(b) of the Federal Acquisition Streamlining Act of 1994 (15 U.S.C. 644 note) is amended—

(1) in paragraph (1) by striking “and” at the end;

(2) in paragraph (2) by striking “authorities.” and inserting “authorities;”;

(3) by adding at the end the following:

“(3) to conduct reviews of each Office of Small and Disadvantaged Business Utilization established under section 15(k) of the Small Business Act (15 U.S.C. 644(k)) to determine the compliance of each Office with requirements under such section;

“(4) to identify best practices for maximizing small business utilization in Federal contracting that may be implemented by Federal agencies having procurement powers; and

“(5) to submit, annually, to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report describing—

“(A) the comments submitted under paragraph (2) during the 1-year period ending on the date on which the report is submitted, including any outcomes related to the comments;

“(B) the results of reviews conducted under paragraph (3) during such 1-year period; and

“(C) best practices identified under paragraph (4) during such 1-year period.”

(b) MEMBERSHIP.—Section 7104(c) of the Federal Acquisition Streamlining Act of 1994 (15 U.S.C. 644 note) is amended by striking “(established under section 15(k) of the Small Business Act (15 U.S.C. 644(k)))”.

(c) CHAIRMAN.—Section 7104(d) of the Federal Acquisition Streamlining Act of 1994 (15 U.S.C. 644 note) is amended by inserting after “Small Business Administration” the following: “(or the designee of the Administrator)”.

**TITLE VI—TRANSPARENCY, ACCOUNTABILITY, AND EFFECTIVENESS**  
**Subtitle A—Small Business Common Application**

**SEC. 611. DEFINITIONS.**

In this subtitle—  
(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively;

(2) the term “Executive agency” has the meaning given that term under section 105 of title 5, United States Code;

(3) the term “Executive Committee” means the Executive Committee on a Small Business Common Application established under section 613(a);

(4) the term “small business concern” has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632);

**SEC. 612. SENSE OF CONGRESS.**

It is the sense of Congress that Executive agencies should—

(1) reduce paperwork burdens on small business concerns pursuant to section 3501 of title 44, United States Code;

(2) maximize the ability of small business concerns to use common applications, where practicable, and use consolidated web portals to interact with Executive agencies;

(3) maintain high standards for data privacy and security;

(4) increase the degree and ease of information sharing and coordination among programs serving small business concerns that are carried out by Executive agencies, including State and local offices of Executive agencies; and

(5) minimize redundancy in the administration of programs that can utilize common applications, where practicable, and consolidated web portals.



**SEC. 613. EXECUTIVE COMMITTEE ON A SMALL BUSINESS COMMON APPLICATION.**

(a) ESTABLISHMENT.—There is established in the Administration an Executive Committee on a Small Business Common Application, which shall make recommendations regarding the establishment, if practicable, of a small business common application and web portal.

**(b) MEMBERSHIP.—**

(1) IN GENERAL.—The members of the Executive Committee shall consist of—

(A) the Administrator;

(B) the Assistant Secretary of Commerce for Economic Development; and

(C) 1 senior officer or employee having policy and technical expertise appointed by each of—

(i) the Administrator of the General Services Administration;

(ii) the Director of the National Institutes of Health;

(iii) the Director of the National Science Foundation;

(iv) the President of the Export-Import Bank;

(v) the Secretary of Agriculture;

(vi) the Secretary of Defense;

(vii) the Secretary of Health and Human Services;

(viii) the Secretary of Labor;

(ix) the Secretary of State;

(x) the Secretary of the Treasury; and

(xi) the Secretary of Veterans Affairs.

(2) CHAIRPERSON.—The Administrator shall serve as chairperson of the Executive Committee.

(3) PERIOD OF APPOINTMENT.—Members of the Executive Committee shall be appointed for a term of 1 year.

(4) VACANCIES.—A vacancy in the Executive Committee shall be filled in the same manner as the original appointment, not later than 30 days after the date on which the vacancy occurs.

**(c) MEETINGS.—**

(1) IN GENERAL.—The Executive Committee shall meet at the call of the chairperson of the Executive Committee.

(2) QUORUM.—A majority of the members of the Executive Committee shall constitute a quorum.

(3) FIRST MEETING.—The first meeting of the Executive Committee shall take place not later than 30 days after the date of enactment of this subtitle.

(4) PUBLIC MEETING.—The Executive Committee shall hold at least 1 public meeting before the date described in subsection (d)(1) to receive comments from small business concerns and other interested parties.

**(d) DUTIES.—**

(1) RECOMMENDATIONS.—Not later than 270 days after the date of enactment of this Act, upon a vote of the majority of members of the Executive Committee then serving, the Executive Committee shall submit to the Administrator recommendations relating to the feasibility of establishing a small business common application and web portal in order to meet the goals described in section 612.

(2) TRANSMISSION TO EXECUTIVE AGENCIES.—The Executive Committee shall transmit to each Executive agency a complete copy of the recommendations submitted under paragraph (1).

(3) TRANSMISSION TO CONGRESS.—The Executive Committee shall transmit to each relevant committee of Congress a complete copy of the recommendations submitted under paragraph (1).

(4) RECOMMENDATIONS BY EXECUTIVE AGENCIES.—Not later than 30 days after the date on which the Executive Committee transmits recommendations to the Executive agency under paragraph (2), each Executive agency that provides Federal assistance to

small business concerns shall submit to Congress recommendations, if any, for legislative changes necessary for the Executive agency to carry out the recommendations under paragraph (1).

**(e) PERSONNEL MATTERS.—**

(1) COMPENSATION OF MEMBERS.—The members of the Executive Committee shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) DETAIL OF EMPLOYEES.—The Administrator may detail to the Executive Committee any employee of the Economic Development Administration, and such detail shall be without interruption or loss of civil service status or privilege.

(f) FEDERAL ADVISORY COMMITTEE ACT.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Executive Committee.

**SEC. 614. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to the Administrator such sums as may be necessary to carry out this subtitle.

**Subtitle B—Government Accountability Office Review****SEC. 621. GOVERNMENT ACCOUNTABILITY OFFICE REVIEW.**

Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that evaluates the status of the programs authorized under this division and the amendments made by this division, including the extent to which such programs have been funded and implemented and have contributed to promoting job creation among small business concerns.

**SA 2522.** Mr. REID proposed an amendment to amendment SA 2521 proposed by Mr. REID (for Ms. LANDRIEU) to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

At the end, add the following new section:  
**SEC. \_\_\_\_\_.**

This Act shall become effective 7 days after enactment.

**SA 2523.** Mr. REID proposed an amendment to amendment SA 2522 proposed by Mr. REID to the amendment SA 2521 proposed by Mr. REID (for Ms. LANDRIEU) to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

In the amendment, strike “7 days” and insert “6 days”.

**SA 2524.** Mr. REID proposed an amendment to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

Strike all after the first word and insert the following:

**1. SHORT TITLE.**

This Act may be cited as the “Small Business Tax Cut Act”.

**SEC. 2. DEDUCTION FOR DOMESTIC BUSINESS INCOME OF QUALIFIED SMALL BUSINESSES.**

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of

1986 is amended by adding at the end the following new section:

**“SEC. 200. DOMESTIC BUSINESS INCOME OF QUALIFIED SMALL BUSINESSES.**

“(a) ALLOWANCE OF DEDUCTION.—In the case of a qualified small business, there shall be allowed as a deduction an amount equal to 20 percent of the lesser of—

“(1) the qualified domestic business income of the taxpayer for the taxable year, or

“(2) taxable income (determined without regard to this section) for the taxable year.

**“(b) DEDUCTION LIMITED BASED ON WAGES PAID.—**

“(1) IN GENERAL.—The amount of the deduction allowable under subsection (a) for any taxable year shall not exceed 50 percent of the greater of—

“(A) the W-2 wages of the taxpayer paid to non-owners, or

“(B) the sum of—

“(i) the W-2 wages of the taxpayer paid to individuals who are non-owner family members of direct owners, plus

“(ii) any W-2 wages of the taxpayer paid to 10-percent-or-less direct owners.

“(2) DEFINITIONS RELATED TO OWNERSHIP.—For purposes of this section—

“(A) NON-OWNER.—The term ‘non-owner’ means, with respect to any qualified small business, any person who does not own (and is not considered as owning within the meaning of subsection (c) or (e)(3) of section 267, as the case may be) any stock of such business (or, if such business is other than a corporation, any capital or profits interest of such business).

“(B) NON-OWNER FAMILY MEMBERS.—An individual is a non-owner family member of a direct owner if—

“(i) such individual is family (within the meaning of section 267(c)(4)) of a direct owner, and

“(ii) such individual would be a non-owner if subsections (c) and (e)(3) of section 267 were applied without regard to section 267(c)(2).

“(C) DIRECT OWNER.—The term ‘direct owner’ means, with respect to any qualified small business, any person who owns (or is considered as owning under the applicable non-family attribution rules) any stock of such business (or, if such business is other than a corporation, any capital or profits interest of such business).

“(D) 10-PERCENT-OR-LESS DIRECT OWNERS.—The term ‘10-percent-or-less direct owner’ means, with respect to any qualified small business, any direct owner of such business who owns (or is considered as owning under the applicable non-family attribution rules)—

“(i) in the case of a qualified small business which is a corporation, not more than 10 percent of the outstanding stock of the corporation or stock possessing more than 10 percent of the total combined voting power of all stock of the corporation, or

“(ii) in the case of a qualified small business which is not a corporation, not more than 10 percent of the capital or profits interest of such business.

“(E) APPLICABLE NON-FAMILY ATTRIBUTION RULES.—The term ‘applicable non-family attribution rules’ means the attribution rules of subsection (c) or (e)(3) of section 267, as the case may be, but in each case applied without regard to section 267(c)(2).

“(3) W-2 WAGES.—For purposes of this section—

“(A) IN GENERAL.—The term ‘W-2 wages’ means, with respect to any person for any taxable year of such person, the sum of the amounts described in paragraphs (3) and (8) of section 6051(a) paid by such person with respect to employment of employees by such person during the calendar year ending during such taxable year.

“(B) LIMITATION TO WAGES ATTRIBUTABLE TO QUALIFIED DOMESTIC BUSINESS INCOME.—Such term shall not include any amount which is not properly allocable to domestic business gross receipts for purposes of subsection (c)(1).”

“(C) OTHER REQUIREMENTS.—Except in the case of amounts treated as W-2 wages under paragraph (4)—

“(i) such term shall not include any amount which is not allowed as a deduction under section 162 for the taxable year, and

“(ii) such term shall not include any amount which is not properly included in a return filed with the Social Security Administration on or before the 60th day after the due date (including extensions) for such return.

“(4) CERTAIN PARTNERSHIP DISTRIBUTIONS TREATED AS W-2 WAGES.—

“(A) IN GENERAL.—In the case of a qualified small business which is a partnership and elects the application of this paragraph for the taxable year—

“(i) the qualified domestic business taxable income of such partnership for such taxable year (determined after the application of clause (ii)) which is allocable under rules similar to the rules of section 199(d)(1)(A)(ii) to each qualified service-providing partner shall be treated for purposes of this section as W-2 wages paid during such taxable year to such partner as an employee, and

“(ii) the domestic business gross receipts of such partnership for such taxable year shall be reduced by the amount so treated.

“(B) QUALIFIED SERVICE-PROVIDING PARTNER.—For purposes of this paragraph, the term ‘qualified service-providing partner’ means, with respect to any qualified domestic business taxable income, any partner who is a 10-percent-or-less direct owner and who materially participates in the trade or business to which such income relates.

“(5) ACQUISITIONS AND DISPOSITIONS.—The Secretary shall provide for the application of this subsection in cases where the taxpayer acquires, or disposes of, the major portion of a trade or business or the major portion of a separate unit of a trade or business during the taxable year.

“(c) QUALIFIED DOMESTIC BUSINESS INCOME.—For purposes of this section—

“(1) IN GENERAL.—The term ‘qualified domestic business income’ for any taxable year means an amount equal to the excess (if any) of—

“(A) the taxpayer’s domestic business gross receipts for such taxable year, over

“(B) the sum of—

“(i) the cost of goods sold that are allocable to such receipts, and

“(ii) other expenses, losses, or deductions (other than the deduction allowed under this section), which are properly allocable to such receipts.

“(2) DOMESTIC BUSINESS GROSS RECEIPTS.—

“(A) IN GENERAL.—The term ‘domestic business gross receipts’ means the gross receipts of the taxpayer which are effectively connected with the conduct of a trade or business within the United States within the meaning of section 864(c) but determined—

“(i) without regard to paragraphs (3), (4), and (5) thereof, and

“(ii) by substituting ‘qualified small business (within the meaning of section 200)’ for ‘nonresident alien individual or a foreign corporation’ each place it appears therein.

“(B) EXCEPTIONS.—For purposes of paragraph (1), domestic business gross receipts shall not include any of the following:

“(i) Gross receipts derived from the sale or exchange of—

“(I) a capital asset, or

“(II) property used in the trade or business (as defined in section 1231(b)).

“(ii) Royalties, rents, dividends, interest, or annuities.

“(iii) Any amount which constitutes wages (as defined in section 3401).

“(3) APPLICATION OF CERTAIN RULES.—Rules similar to the rules of paragraphs (2) and (3) of section 199(c) shall apply for purposes of this section (applied with respect to qualified domestic business income in lieu of qualified production activities income and with respect to domestic business gross receipts in lieu of domestic production gross receipts).

“(d) QUALIFIED SMALL BUSINESS.—For purposes of this section—

“(1) IN GENERAL.—The term ‘qualified small business’ means any employer engaged in a trade or business if such employer had fewer than 500 full-time equivalent employees for either calendar year 2010 or 2011.

“(2) FULL-TIME EQUIVALENT EMPLOYEES.—The term ‘full-time equivalent employees’ has the meaning given such term by subsection (d)(2) of section 45R applied—

“(A) without regard to subsection (d)(5) of such section,

“(B) with regard to subsection (e)(1) of such section, and

“(C) by substituting ‘calendar year’ for ‘taxable year’ each place it appears therein.

“(3) EMPLOYERS NOT IN EXISTENCE PRIOR TO 2012.—In the case of an employer which was not in existence on January 1, 2012, the determination under paragraph (1) shall be made with respect to calendar year 2012.

“(4) APPLICATION TO CALENDAR YEARS IN WHICH EMPLOYER IN EXISTENCE FOR PORTION OF CALENDAR YEAR.—In the case of any calendar year during which the employer comes into existence, the number of full-time equivalent employees determined under paragraph (2) with respect to such calendar year shall be increased by multiplying the number so determined (without regard to this paragraph) by the quotient obtained by dividing—

“(A) the number of days in such calendar year, by

“(B) the number of days during such calendar year which such employer is in existence.

“(5) SPECIAL RULES.—

“(A) AGGREGATION RULE.—For purposes of paragraph (1), any person treated as a single employer under subsection (a) or (b) of section 52 (applied without regard to section 1563(b)) or subsection (m) or (o) of section 414 shall be treated as a single employer for purposes of this subsection.

“(B) PREDECESSORS.—Any reference in this subsection to an employer shall include a reference to any predecessor of such employer.

“(e) SPECIAL RULES.—

“(1) ELECTIVE APPLICATION OF DEDUCTION.—Except as otherwise provided by the Secretary, the taxpayer may elect not to take any item of income into account as domestic business gross receipts for purposes of this section.

“(2) COORDINATION WITH SECTION 199.—If a deduction is allowed under this section with respect to any taxpayer for any taxable year—

“(A) any gross receipts of the taxpayer which are taken into account under this section for such taxable year shall not be taken into account under section 199 for such taxable year, and

“(B) the W-2 wages of the taxpayer which are taken into account under this section shall not be taken into account under section 199 for such taxable year.

“(3) APPLICATION OF CERTAIN RULES.—Rules similar to the rules of paragraphs (1), (2), (3), (4), (6), and (7) of section 199(d) shall apply for purposes of this section (applied with respect to qualified domestic business income

in lieu of qualified production activities income).

“(f) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary to carry out the purposes of this section, including regulations which prevent a taxpayer which reorganizes from being treated as a qualified small business if such taxpayer would not have been treated as a qualified small business prior to such reorganization.

“(g) APPLICATION.—Subsection (a) shall apply only with respect to the first taxable year of the taxpayer beginning after December 31, 2011.”

(b) CONFORMING AMENDMENTS.—

(1) Section 56(d)(1)(A) of such Code is amended by striking “deduction under section 199” both places it appears and inserting “deductions under sections 199 and 200”.

(2) Section 56(g)(4)(C) of such Code is amended by adding at the end the following new clause:

“(vii) DEDUCTION FOR DOMESTIC BUSINESS INCOME OF QUALIFIED SMALL BUSINESSES.—Clause (i) shall not apply to any amount allowable as a deduction under section 200.”

(3) The following provisions of such Code are each amended by inserting “200,” after “199,”

(A) Section 86(b)(2)(A).

(B) Section 135(c)(4)(A).

(C) Section 137(b)(3)(A).

(D) Section 219(g)(3)(A)(ii).

(E) Section 221(b)(2)(C)(i).

(F) Section 222(b)(2)(C)(i).

(G) Section 246(b)(1).

(H) Section 469(i)(3)(F)(iii).

(4) Section 163(j)(6)(A)(i) of such Code is amended by striking “and” at the end of subclause (III) and by inserting after subclause (IV) the following new subclause:

“(V) any deduction allowable under section 200, and”

(5) Section 170(b)(2)(C) of such Code is amended by striking “and” at the end of clause (iv), by striking the period at the end of clause (v) and inserting “, and”, and by inserting after clause (v) the following new clause:

“(vi) section 200.”

(6) Section 172(d) of such Code is amended by adding at the end the following new paragraph:

“(8) DOMESTIC BUSINESS INCOME OF QUALIFIED SMALL BUSINESSES.—The deduction under section 200 shall not be allowed.”

(7) Section 613(a) of such Code is amended by striking “deduction under section 199” and inserting “deductions under sections 199 and 200”.

(8) Section 613A(d)(1) of such Code is amended by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively, and by inserting after subparagraph (B) the following new subparagraph:

“(C) any deduction allowable under section 200.”

(9) Section 1402(a) of such Code is amended by striking “and” at the end of paragraph (16), by redesignating paragraph (17) as paragraph (18), and by inserting after paragraph (16) the following new paragraph:

“(17) the deduction provided by section 200 shall not be allowed; and”

(c) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by adding at the end the following new item:

“Sec. 200. Domestic business income of qualified small businesses.”

**SA 2525.** Mr. REID proposed an amendment to amendment SA 2524 proposed by Mr. REID to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus

depreciation for an additional year, and for other purposes; as follows:

At the end, add the following new section:  
**SEC. \_\_\_\_.**

This title shall become effective 5 days after enactment.

**SA 2526.** Mr. REID proposed an amendment to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

**SEC. \_\_\_\_.**

This Act shall become effective 3 days after enactment.

**SA 2527.** Mr. REID proposed an amendment to amendment SA 2526 proposed by Mr. REID to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

In the amendment, strike “3 days” and insert “2 days”.

**SA 2528.** Mr. REID proposed an amendment to amendment SA 2527 proposed by Mr. REID to the amendment SA 2526 proposed by Mr. REID to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; as follows:

In the amendment, strike “2 days” and insert “1 day”.

**SA 2529.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ . MODIFICATION AND PERMANENT EXTENSION OF THE INCENTIVES TO REINVEST FOREIGN EARNINGS IN THE UNITED STATES.**

(a) **REPATRIATION SUBJECT TO 5 PERCENT TAX RATE.**—Subsection (a)(1) of section 965 of the Internal Revenue Code of 1986 is amended by striking “85 percent” and inserting “85.7 percent”.

(b) **PERMANENT EXTENSION TO ELECT REPATRIATION.**—Subsection (f) of section 965 of the Internal Revenue Code of 1986 is amended to read as follows:

“(f) **ELECTION.**—The taxpayer may elect to apply this section to any taxable year only if made on or before the due date (including extensions) for filing the return of tax for such taxable year.”

(c) **REPATRIATION INCLUDES CURRENT AND ACCUMULATED FOREIGN EARNINGS.**—

(1) **IN GENERAL.**—Paragraph (1) of section 965(b) of the Internal Revenue Code of 1986 is amended to read as follows:

“(1) **IN GENERAL.**—The amount of dividends taken into account under subsection (a) shall not exceed the sum of the current and accumulated earnings and profits described in section 959(c)(3) for the year a deduction is claimed under subsection (a), without diminution by reason of any distributions made during the election year, for all controlled foreign corporations of the United States shareholder.”

(2) **CONFORMING AMENDMENTS.**—

(A) Section 965(b) of such Code is amended by striking paragraphs (2) and (4) and by redesignating paragraph (3) as paragraph (2).

(B) Section 965(c) of such Code is amended by striking paragraphs (1) and (2) and by redesignating paragraphs (3), (4), and (5) as paragraphs (1), (2), and (3), respectively.

(C) Paragraph (3) of section 965(c) of such Code, as redesignated by subparagraph (B), is amended to read as follows:

“(3) **CONTROLLED GROUPS.**—All United States shareholders which are members of an affiliated group filing a consolidated return under section 1501 shall be treated as one United States shareholder.”

(d) **CLERICAL AMENDMENTS.**—

(1) The heading for section 965 of the Internal Revenue Code of 1986 is amended by striking “**TEMPORARY**”.

(2) The table of sections for subpart F of part III of subchapter N of chapter 1 of such Code is amended by striking “Temporary dividends” and inserting “Dividends”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

**SA 2530.** Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. \_\_\_\_ . PERMANENT EXTENSION OF TAX RELIEF.**

(a) **2001 TAX RELIEF.**—The Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking title IX.

(b) **2003 RELIEF.**—Title III of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking section 303.

(c) **ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNTS.**—

(1) **INCREASED EXEMPTION AMOUNTS MADE PERMANENT.**—

(A) **IN GENERAL.**—Paragraph (1) of section 55(d) of the Internal Revenue Code of 1986 is amended—

(i) by striking “\$45,000 (\$72,450 in the case of taxable years beginning in 2010 and \$74,450 in the case of taxable years beginning in 2011)” in subparagraph (A) and inserting “\$74,450”,

(ii) by striking “\$33,750 (\$47,450 in the case of taxable years beginning in 2010 and \$48,450 in the case of taxable years beginning in 2011)” in subparagraph (B) and inserting “\$48,450”, and

(iii) by striking “paragraph (1)(A)” in subparagraph (C) and inserting “subparagraph (A)”.

(2) **EXEMPTION AMOUNTS INDEXED FOR INFLATION.**—Subsection (d) of section 55 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) **INFLATION ADJUSTMENT.**—

“(A) **IN GENERAL.**—In the case of any taxable year beginning in a calendar year after 2011, each of the dollar amounts contained in subparagraphs (A) and (B) of paragraph (1) shall be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2010’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(B) **ROUNDING.**—Any increase determined under subparagraph (A) shall be rounded to the nearest multiple of \$100.”

(3) **EFFECTIVE DATE.**—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2011.

(d) **ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE CREDITS.**—

(1) **IN GENERAL.**—Subsection (a) of section 26 of the Internal Revenue Code of 1986 is amended to read as follows:

“(a) **LIMITATION BASED ON AMOUNT OF TAX.**—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the sum of—

“(1) the taxpayer’s regular tax liability for the taxable year reduced by the foreign tax credit allowable under section 27(a), and

“(2) the tax imposed by section 55(a) for the taxable year.”

(2) **CONFORMING AMENDMENTS.**—

(A) **ADOPTION CREDIT.**—

(i) Section 23(b) of the Internal Revenue Code of 1986 is amended by striking paragraph (4).

(ii) Section 23(c) of such Code is amended by striking paragraphs (1) and (2) and inserting the following:

“(1) **IN GENERAL.**—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section and sections 25D and 1400C), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.”

(iii) Section 23(c) of such Code is amended by redesignating paragraph (3) as paragraph (2).

(B) **CHILD TAX CREDIT.**—

(i) Section 24(b) of such Code is amended by striking paragraph (3).

(ii) Section 24(d)(1) of such Code is amended—

(I) by striking “section 26(a)(2) or subsection (b)(3), as the case may be,” each place it appears in subparagraphs (A) and (B) and inserting “section 26(a)”, and

(II) by striking “section 26(a)(2) or subsection (b)(3), as the case may be” in the second last sentence and inserting “section 26(a)”.

(C) **CREDIT FOR INTEREST ON CERTAIN HOME MORTGAGES.**—Section 25(e)(1)(C) of such Code is amended to read as follows:

“(C) **APPLICABLE TAX LIMIT.**—For purposes of this paragraph, the term ‘applicable tax limit’ means the limitation imposed by section 26(a) for the taxable year reduced by the sum of the credits allowable under this subpart (other than this section and sections 23, 25D, and 1400C).”

(D) **SAVERS’ CREDIT.**—Section 25B of such Code is amended by striking subsection (g).

(E) **RESIDENTIAL ENERGY EFFICIENT PROPERTY.**—Section 25D(c) of such Code is amended to read as follows:

“(c) **CARRYFORWARD OF UNUSED CREDIT.**—If the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.”

(F) **CERTAIN PLUG-IN ELECTRIC VEHICLES.**—Section 30(c)(2) of such Code is amended to read as follows:

“(2) **PERSONAL CREDIT.**—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.”

(G) **ALTERNATIVE MOTOR VEHICLE CREDIT.**—Section 30B(g)(2) of such Code is amended to read as follows:

“(2) PERSONAL CREDIT.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.”.

(H) NEW QUALIFIED PLUG-IN ELECTRIC VEHICLE CREDIT.—Section 30D(c)(2) of such Code is amended to read as follows:

“(2) PERSONAL CREDIT.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.”.

(I) CROSS REFERENCES.—Section 55(c)(3) of such Code is amended by striking “26(a), 30C(d)(2),” and inserting “30C(d)(2)”.

(J) FOREIGN TAX CREDIT.—Section 904 of such Code is amended by striking subsection (i) and by redesignating subsections (j), (k), and (l) as subsections (i), (j), and (k), respectively.

(K) FIRST-TIME HOME BUYER CREDIT FOR THE DISTRICT OF COLUMBIA.—Section 1400C(d) of such Code is amended to read as follows:

“(d) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under subpart A of part IV of subchapter A (other than this section and section 25D), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2011.

**TITLE —DEATH TAX REPEAL**

**SEC. 1. SHORT TITLE.**

This title may be cited as the “Death Tax Repeal Permanency Act of 2012”.

**SEC. 2. REPEAL OF ESTATE AND GENERATION-SKIPPING TRANSFER TAXES.**

(a) ESTATE TAX REPEAL.—Subchapter C of chapter 11 of subtitle B of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 2210. TERMINATION.**

“(a) IN GENERAL.—Except as provided in subsection (b), this chapter shall not apply to the estates of decedents dying on or after the date of the enactment of the Death Tax Repeal Permanency Act of 2012.

“(b) CERTAIN DISTRIBUTIONS FROM QUALIFIED DOMESTIC TRUSTS.—In applying section 2056A with respect to the surviving spouse of a decedent dying before the date of the enactment of the Death Tax Repeal Permanency Act of 2012—

“(1) section 2056A(b)(1)(A) shall not apply to distributions made after the 10-year period beginning on such date, and

“(2) section 2056A(b)(1)(B) shall not apply on or after such date.”.

(b) GENERATION-SKIPPING TRANSFER TAX REPEAL.—Subchapter G of chapter 13 of subtitle B of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 2664. TERMINATION.**

“This chapter shall not apply to generation-skipping transfers on or after the date of the enactment of the Death Tax Repeal Permanency Act of 2012.”.

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subchapter C of chapter 11 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“Sec. 2210. Termination.”.

(2) The table of sections for subchapter G of chapter 13 of such Code is amended by adding at the end the following new item:

“Sec. 2664. Termination.”.

(d) RESTORATION OF PRE-EGTRRA PROVISIONS NOT APPLICABLE.—

(1) IN GENERAL.—Section 301 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 shall not apply to estates of decedents dying, and transfers made, on or after the date of the enactment of this Act.

(2) EXCEPTION FOR STEPPED-UP BASIS.—Paragraph (1) shall not apply to the provisions of law amended by subtitle E of title V of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to carryover basis at death; other changes taking effect with repeal).

(e) SUNSET NOT APPLICABLE.—Section 304 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 is hereby repealed.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to the estates of decedents dying, and generation-skipping transfers, after the date of the enactment of this Act.

**SEC. 3. MODIFICATIONS OF GIFT TAX.**

(a) COMPUTATION OF GIFT TAX.—Subsection (a) of section 2502 of the Internal Revenue Code of 1986 is amended to read as follows:

“(a) COMPUTATION OF TAX.—

“(1) IN GENERAL.—The tax imposed by section 2501 for each calendar year shall be an amount equal to the excess of—

“(A) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for such calendar year and for each of the preceding calendar periods, over

“(B) a tentative tax, computed under paragraph (2), on the aggregate sum of the taxable gifts for each of the preceding calendar periods.

“(2) RATE SCHEDULE.—

<b>“If the amount with respect to which the tentative tax to be computed is:</b>	<b>The tentative tax is:</b>
Not over \$10,000 .....	18% of such amount.
Over \$10,000 but not over \$20,000.	\$1,800, plus 20% of the excess over \$10,000.
Over \$20,000 but not over \$40,000.	\$3,800, plus 22% of the excess over \$20,000.
Over \$40,000 but not over \$60,000.	\$8,200, plus 24% of the excess over \$40,000.
Over \$60,000 but not over \$80,000.	\$13,000, plus 26% of the excess over \$60,000.
Over \$80,000 but not over \$100,000.	\$18,200, plus 28% of the excess over \$80,000.
Over \$100,000 but not over \$150,000.	\$23,800, plus 30% of the excess over \$100,000.
Over \$150,000 but not over \$250,000.	\$38,800, plus 32% of the excess of \$150,000.
Over \$250,000 but not over \$500,000.	\$70,800, plus 34% of the excess over \$250,000.
Over \$500,000 .....	\$155,800, plus 35% of the excess of \$500,000.”.

(b) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Section 2511 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(c) TREATMENT OF CERTAIN TRANSFERS IN TRUST.—Notwithstanding any other provision of this section and except as provided in regulations, a transfer in trust shall be treated as a taxable gift under section 2503, unless the trust is treated as wholly owned by the donor or the donor’s spouse under subpart E of part I of subchapter J of chapter 1.”.

(c) LIFETIME GIFT EXEMPTION.—Paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as follows:

“(1) the amount of the tentative tax which would be determined under the rate schedule set forth in section 2502(a)(2) if the amount with respect to which such tentative tax is to be computed were \$5,000,000, reduced by”.

(d) CONFORMING AMENDMENTS.—

(1) Section 2505(a) of the Internal Revenue Code of 1986 is amended by striking the last sentence.

(2) The heading for section 2505 of such Code is amended by striking “unified”.

(3) The item in the table of sections for subchapter A of chapter 12 of such Code relating to section 2505 is amended to read as follows:

“Sec. 2505. Credit against gift tax.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to gifts made on or after the date of the enactment of this Act.

(f) TRANSITION RULE.—

(1) IN GENERAL.—For purposes of applying sections 1015(d), 2502, and 2505 of the Internal Revenue Code of 1986, the calendar year in which this title is enacted shall be treated as 2 separate calendar years one of which ends on the day before the date of the enactment of this Act and the other of which begins on such date of enactment.

(2) APPLICATION OF SECTION 2504(b).—For purposes of applying section 2504(b) of the Internal Revenue Code of 1986, the calendar year in which this title is enacted shall be treated as one preceding calendar period.

**SA 2531.** Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill S. 2237, to provide a temporary income tax credit for increased payroll and extend bonus depreciation for an additional year, and for other purposes; which was ordered to lie on the table; as follows:

On page \_\_, between lines \_\_ and \_\_, insert the following:

**SEC. \_\_\_\_ . EXTENSION OF AUTHORITY OF SECRETARY OF THE TREASURY TO RELEASE A LEVY ON A TAXPAYER’S PROPERTY BASED ON AN ECONOMIC HARDSHIP DUE TO THE FINANCIAL CONDITION OF THE TAXPAYER’S BUSINESS.**

(a) IN GENERAL.—Paragraph (1) of section 6343 of the Internal Revenue Code of 1986 is amended—

(1) by inserting “or the taxpayer’s trade or business” after “taxpayer” in subparagraph (D), and

(2) by adding at the end the following new sentence: “For purposes of subparagraph (D), in making the determination to release a levy against a trade or business on economic hardship grounds, the Secretary shall consider the economic viability of the trade or business, the nature and extent of the hardship (including whether the taxpayer exercised ordinary business care and prudence), the potential harm to individuals if the trade or business is liquidated, and whether the taxes could be collected from a responsible person under an assessment under section 6672.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued on or after the date of the enactment of this Act.

**NOTICE OF HEARING**

SUBCOMMITTEE ON WATER AND POWER

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public