

Yesterday, I watched as members of the House Armed Services Committee attacked a U.S. citizen who volunteered to serve his country and who was held in the most deplorable of conditions for 5 years. In my time in Congress, I have never seen a more disgraceful, purely political attack on a U.S. soldier.

How many times have we heard from our generals and our admirals that we never leave a warrior behind? We sent Sergeant Bergdahl to war. We gave Sergeant Bergdahl his gun and his orders. We must bring Sergeant Bergdahl home and take care of him.

□ 0915

#### CONDEMNING ABDUCTION OF FEMALE STUDENTS BY BOKO HARAM

Mr. HOLDING. Madam Speaker, I ask unanimous consent that it be in order at any time on the legislative day of June 12, 2014, to consider in the House, House Resolution 617, if called up by the chair of the Committee on Foreign Affairs, or his designee; that the resolution be considered as read; and that the previous question be considered as ordered on the preamble and the resolution to adoption without intervening motion.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HOLDING. Madam Speaker, pursuant to the order of the House of today, I call up the resolution (H. Res. 617) condemning the abduction of female students by armed militants from the terrorist group known as Boko Haram in northeastern provinces of the Federal Republic of Nigeria, and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the title of the resolution.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Pursuant to the order of the House of today, the resolution is considered read and the previous question is ordered on the resolution and on the preamble.

The text of the resolution is as follows:

#### H. RES. 617

Whereas, on the night of April 14, 2014, 276 female students, most of them between 15 and 18 years old, were abducted by Boko Haram from the Government Girls Secondary School, a boarding school located in the northeastern province of Borno in the Federal Republic of Nigeria;

Whereas, all public secondary schools in Borno state were closed in March 2014 because of increasing attacks in the past year that have killed hundreds of students, but the young women at the Government Girls Secondary School were recalled to take their final exams;

Whereas, Boko Haram burned down several buildings before opening fire on soldiers and police who were guarding the Government Girls Secondary School and forcing the students into trucks;

Whereas, according to local officials in Borno state, 53 students were able to flee their captors, and the rest remain abducted;

Whereas, there are reports that the abducted girls have been sold as brides to Islamist militants for the equivalent of \$12 each;

Whereas, the group popularly known as “Boko Haram”, which loosely translates from the Hausa language to “Western education is sin”, is known to oppose the education of girls;

Whereas, on April 14, 2014, hours before the kidnapping in Borno state, and on May 2, 2014, Boko Haram bombed bus stations in Abuja, Nigeria, killing at least 94 people and wounding over 160, making it the deadliest set of attacks ever in Nigeria’s capital;

Whereas, Boko Haram has kidnapped girls in the past to use as cooks and sex slaves, and has claimed responsibility for the kidnapping in Borno state on April 14, 2014;

Whereas, late May 5, 2014, suspected Boko Haram gunmen kidnapped an additional 8 girls, ranging in age from 12 to 15, from a village in northeast Nigeria;

Whereas, on May 7, 2014, Boko Haram killed at least 336 people in Gamboru Ngala and burned hundreds of houses and cars;

Whereas, on June 5, 2014, Boko Haram kidnapped an additional 20 women from northeastern Nigeria, near the town of Chibok;

Whereas, reports estimate that more than 500 students and 100 teachers have been killed by Boko Haram and have destroyed roughly 500 schools in northern Nigeria, leaving more than 15,000 students without access to education;

Whereas, Boko Haram has targeted schools, mosques, churches, villages, and agricultural centers, as well as government facilities, in an armed campaign to create an Islamic state in northern Nigeria, prompting the President of Nigeria to declare a state of emergency in three of the country’s northeastern states in May 2013;

Whereas, human rights groups have indicated that the Nigerian state security forces should improve efforts to protect civilians during offensive operations against Boko Haram;

Whereas, according to nongovernmental organizations, more than 1,500 people have been killed in attacks by Boko Haram or reprisals by Nigerian security forces this year alone, and that almost 4,000 people have been killed in Boko Haram attacks since 2011;

Whereas, the enrollment, retention, and completion of education for girls in Nigeria remains a major challenge;

Whereas, according to the United Nations Children’s Emergency Fund (UNICEF), some 4,700,000 children of primary school age are still not in school in Nigeria, with attendance rates lowest in the north;

Whereas, studies have found that school children in Nigeria, particularly those in the northern provinces, are at a disadvantage in their education, with 37 percent of primary-age girls in the rural northeast not attending school, and 30 percent of boys not attending school;

Whereas, women and girls must be allowed to go to school without fear of violence and unjust treatment so that they can take their rightful place as equal citizens of and contributors to society;

Whereas United States security assistance to Nigeria has emphasized military professionalization, peacekeeping support and training, and border and maritime security;

Whereas, the Department of State designated Boko Haram as a Foreign Terrorist Organization in November 2013, recognizing the threat posed by the group’s large-scale and indiscriminate attacks against civilians, including women and children;

Whereas Boko Haram is one of a number of radical Islamist terrorist organizations and extremist groups that pose a growing threat to United States interests in the region as well as broader peace and security; and

Whereas these radical Islamist groups, which include Ansar al-Sharia, Al-Qaeda in the Islamic Maghreb, the National Movement for Unity and Jihad in West Africa, and others have carried out deadly attacks in the region and constitute a growing threat to North and West Africa: Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) expresses its strong support for the people of Nigeria, especially the parents and families of the girls abducted by Boko Haram in Borno state, and calls for the immediate, safe return of the girls;

(2) condemns Boko Haram for its violent attacks on civilian targets, including schools, mosques, churches, villages, and agricultural centers in Nigeria;

(3) encourages the Government of Nigeria to strengthen efforts to protect children seeking to obtain an education and to hold those who conduct such violent attacks accountable;

(4) commends efforts by the United States Government to hold terrorist organizations, such as Boko Haram, accountable;

(5) supports offers of United States assistance to the government of Nigeria in the search for these abducted girls and encourages the government of Nigeria to work with the United States and other concerned governments to resolve this tragic situation;

(6) recognizes that every individual, regardless of gender, should have the opportunity to pursue an education without fear of discrimination;

(7) encourages the Department of State and the United States Agency for International Development to continue their support for initiatives that promote the human rights of women and girls in Nigeria;

(8) urges the President to immediately strengthen United States security, law enforcement, and intelligence cooperation with appropriate Nigerian forces, including offering United States personnel to support operations to locate and rescue the more than 200 schoolgirls kidnapped by Boko Haram, and to support Nigerian efforts to counter this United States designated foreign terrorist organization; and

(9) calls on the President to provide to Congress a comprehensive strategy to counter the growing threat posed by radical Islamist terrorist groups in West Africa, the Sahel, and North Africa.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. WILSON of Florida. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

#### PERMISSION TO POSTPONE PROCEEDINGS ON MOTION TO RECOMMIT

Mr. HOLDING. Madam Speaker, I ask unanimous consent that the Chair may postpone further proceedings today on a motion to recommit as though under clause 8 of rule XX.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

#### S CORPORATION PERMANENT TAX RELIEF ACT OF 2014

Mr. REICHERT. Madam Speaker, pursuant to House Resolution 616, I call up the bill (H.R. 4453) to amend the Internal Revenue Code of 1986 to make permanent the reduced recognition period for built-in gains of S corporations, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 616, in lieu of the amendment in the nature of a substitute recommended by the Committee on Ways and Means, printed in the bill, an amendment in the nature of a substitute consisting of the text of Rules Committee print 113-46 is adopted and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 4453

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the “S Corporation Permanent Tax Relief Act of 2014”.*

#### SEC. 2. REDUCED RECOGNITION PERIOD FOR BUILT-IN GAINS OF S CORPORATIONS MADE PERMANENT.

(a) IN GENERAL.—Paragraph (7) of section 1374(d) of the Internal Revenue Code of 1986 is amended to read as follows:

“(7) RECOGNITION PERIOD.—

“(A) IN GENERAL.—The term ‘recognition period’ means the 5-year period beginning with the 1st day of the 1st taxable year for which the corporation was an S corporation. For purposes of applying this section to any amount includible in income by reason of distributions to shareholders pursuant to section 593(e), the preceding sentence shall be applied without regard to the phrase ‘5-year’.

“(B) INSTALLMENT SALES.—If an S corporation sells an asset and reports the income from the sale using the installment method under section 453, the treatment of all payments received shall be governed by the provisions of this paragraph applicable to the taxable year in which such sale was made.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2013.

#### SEC. 3. PERMANENT RULE REGARDING BASIS ADJUSTMENT TO STOCK OF S CORPORATIONS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—Section 1367(a)(2) of the Internal Revenue Code of 1986 is amended by striking the last sentence.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2013.

#### SEC. 4. BUDGETARY EFFECTS.

(a) STATUTORY PAY-AS-YOU-GO SCORECARDS.—The budgetary effects of this Act shall not be entered on either PAYGO scorecard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010.

(b) SENATE PAYGO SCORECARDS.—The budgetary effects of this Act shall not be entered on any PAYGO scorecard maintained for purposes of section 201 of S. Con. Res. 21 (110th Congress).

The SPEAKER pro tempore. The gentleman from Washington (Mr. REICHERT) and the gentleman from Michigan (Mr. LEVIN) each will control 30 minutes.

The Chair recognizes the gentleman from Washington.

#### GENERAL LEAVE

Mr. REICHERT. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H.R. 4453.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. REICHERT. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today to urge support for H.R. 4453, the S Corporation Permanent Tax Relief Act of 2014.

Since we started the tax reform process in January of 2011, one of the main themes coming up again and again is the need for certainty for individuals to plan and businesses to thrive. Nowhere is this more true than for small businesses.

Pass-through businesses, like S corporations, account for more than half of all jobs in the United States. In my home State of Washington, they are particularly important, providing 1.4 million jobs, with S corporations providing more than one in four private sector jobs.

Permanence in the tax law is especially important for these privately-held businesses because they can't go to the public markets every time they want to invest in new equipment or hire workers. They need certainty to plan how to most effectively deploy their capital.

A perfect example of an area of the Tax Code that is ripe for permanence, so that S corporation businesses can plan to access and redeploy their own capital, is the built-in gains, or BIG, relief provision that is before us today.

The BIG tax, as it is called, is a double tax on S corporations that want to sell their assets after converting from C corporation status. Currently, S corporations have to wait 10 years after converting before selling their assets to avoid the punitive double tax.

Traditional year-to-year tax extender legislation has reduced this holding period to 5 years, holding to the original antiabuse intent of the rule, yet providing significant relief for businesses nationwide. H.R. 4453 would permanently reduce that holding period to 5 years.

As we heard from Jim Redpath, a small business witness who is an accountant—he testified before one of our Ways and Means hearings several weeks ago—the BIG tax causes S corporations to hold on to unproductive or old assets that should be replaced.

He gave the example of a road contractor that is holding onto old equipment and trucks that are sitting in the

junkyard that he can't sell. He can't even sell them for parts. Rather than selling them, if he did, they would be subject to the BIG tax, the double tax that I talked about earlier.

The other impact here is, if businesses are allowed to sell these assets and used equipment, it would benefit other small businesses, starting businesses, for example, that may not be able to afford the newest and the latest equipment and technology, but they can start their businesses with used equipment.

Instead of selling assets and using the proceeds to hire new workers or invest in new equipment, businessowners sit on the sidelines. This is a perfect example of Tax Code influencing business decisions, and this needs to stop.

According to the IRS, tens of thousands of corporations convert to C corporations each year. We can't continue to leave this capital locked up. We need to give it back to the small businesses that make this country thrive.

The second part of this bill is also a commonsense provision that will give S corporations certainty in the value of their charitable donations. The S corporation charitable basis adjustment provision simply ensures that S corporations get the same value for their deductions as all other small businesses.

These two commonsense provisions will give S corporations the certainty they need to create jobs and grow our economy in this country.

Madam Speaker, I reserve the balance of my time.

Mr. LEVIN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, the tax extenders being considered today are important to small businesses and have been supported by Democrats.

The first two bills impacting S corporations regard the gain on the sale or distribution of appreciated assets and how charitable contributions of an S corporation are taken into account by shareholders. Over the years, we have modified these provisions and extended them on a bipartisan basis.

The section 179 expensing provision which we will consider second has been in the Tax Code since 1958. It was expanded and nearly quadrupled to a maximum expensing allowance to nearly \$100,000 in 2003.

In 2008, as another recession took hold, that allowance was increased to \$250,000; and in 2010, we again expanded the provision, this time to \$500,000, as we continued action to spur the economic recovery. This level was in effect through 2013, and this bill before us would make these significant expansions permanent—unpaid for.

When these expansions were first enacted in 2003, House Republicans noted that these expansions “reflected the need for an economic stimulus and growth package.”

Republicans want to talk about certainty. Well, this much is certain: the expanded 179 provision will be extended