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AMENDMENT TO H.R. 4173
OFFERED BY MR. KUCINICH OF OHIO

Page 1279, after line 9, add the following:

1 **TITLE VII—WINDFALL PROFITS**
2 **TAX ON PROFITS OF TARP RE-**
3 **CIPIENTS AND BONUSES PAID**
4 **BY TARP RECIPIENTS**

5 **SEC. 9001. WINDFALL PROFITS TAX.**

6 (a) IN GENERAL.—Chapter 36 of the Internal Rev-
7 enue Code of 1986 (relating to alcohol, tobacco, and cer-
8 tain other excise taxes) is amended by inserting after sub-
9 chapter D the following new subchapter:

10 **“Subchapter E—Profits of, and Bonuses Paid**
11 **by, TARP Recipients**

“Sec. 4491. Imposition of tax.

12 **“SEC. 4491. IMPOSITION OF TAX.**

13 **“(a) WINDFALL PROFITS.—**

14 **“(1) IN GENERAL.—**In addition to any other
15 tax imposed under this title, there is hereby imposed
16 an excise tax on the profits of a TARP recipient.

17 **“(2) AMOUNT OF TAX.—**The amount of the tax
18 imposed by paragraph (1) shall be 70 percent of
19 such profits.

1 “(b) BONUSES.—

2 “(1) IN GENERAL.—In addition to any other
3 tax imposed under this title, there is hereby imposed
4 an excise tax on any bonus paid by a TARP recipi-
5 ent.

6 “(2) AMOUNT OF TAX.—The amount of the tax
7 imposed by paragraph (1) shall be 60 percent of
8 such bonus.

9 “(3) BONUS.—For purposes of paragraph (1),
10 the term ‘bonus’ does not include compensation in
11 the nature of a commission or salary.

12 “(c) LIABILITY FOR TAX.—

13 “(1) WINDFALL PROFITS.—In the case of the
14 tax imposed by subsection (a), the TARP recipient
15 shall be liable for such tax.

16 “(2) BONUS.—In the case of the tax imposed
17 by subsection (b), the person receiving the bonus
18 shall be liable for such tax.

19 “(d) TARP RECIPIENT.—For purposes of this sec-
20 tion—

21 “(1) IN GENERAL.—The term ‘TARP Recipi-
22 ent’ means any person (or predecessor of such per-
23 son who received assistance under title I of the
24 Emergency Economic Stabilization Act of 2008 and

1 has not repaid such assistance as of the date of any
2 such profits or the payment of any such bonus.

3 “(2) CONTROLLED GROUPS.—

4 “(A) IN GENERAL.—For purposes of para-
5 graph (1), all persons treated as a single em-
6 ployer under subsection (a) or (b) of section 52
7 or under subsection (m) or (o) of section 414
8 shall be treated as one person.

9 “(B) INCLUSION OF FOREIGN CORPORA-
10 TIONS.—For purposes of subparagraph (A), in
11 applying subsections (a) and (b) of section 52
12 to this section, section 1563 shall be applied
13 without regard to subsection (b)(2)(C) thereof.

14 “(e) REGULATIONS.—The Secretary shall issue such
15 regulations or other guidance as may be necessary to carry
16 out this subsection.”

17 (b) CLERICAL AMENDMENT.—The table of sub-
18 chapters for chapter 36 of such Code is amended by add-
19 ing at the end the following new item:

“Subchapter E. Profits of, and Bonuses Paid by, TARP
Recipients.”

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

