

111TH CONGRESS
1ST SESSION

H. R. 4323

To amend the Internal Revenue Code of 1986 to allow a credit against tax for certain costs relating to compliance with financial regulations.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 15, 2009

Mr. SOUDER introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow a credit against tax for certain costs relating to compliance with financial regulations.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “[TBD] Act of 2009”.

5 **SEC. 2. CREDIT FOR FINANCIAL REGULATION COMPLI-**
6 **ANCE.**

7 (a) IN GENERAL.—Subpart D of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 is amended by adding at the end the following new
10 section:

1 **“SEC. 45R. CREDIT FOR COMPLIANCE COSTS RELATING TO**
2 **FINANCIAL REGULATION.**

3 “(a) IN GENERAL.—For purposes of section 38, in
4 the case of an eligible banking institution, the financial
5 regulation compliance credit determined under this section
6 for the taxable year is an amount equal to the financial
7 regulation compliance expenditures of the taxpayer for the
8 taxable year.

9 “(b) FINANCIAL REGULATION COMPLIANCE EX-
10 PENDITURE.—For purposes of this section, the term ‘fi-
11 nancial regulation compliance expenditure’ means—

12 “(1) any State or Federal fees or assessments
13 paid or incurred which are imposed by reason of the
14 taxpayer’s status as an insured depository institu-
15 tion, and

16 “(2) any amounts paid or incurred by the tax-
17 payer in connection with complying with supervision
18 or examination by a State or Federal authority hav-
19 ing supervision over insured depository institutions.

20 “(c) DEFINITIONS AND SPECIAL RULES.—For pur-
21 poses of this section—

22 “(1) ELIGIBLE BANKING INSTITUTION.—The
23 term ‘eligible banking institution’ means, with re-
24 spect to a taxable year, an entity—

25 “(A) which is an insured depository insti-
26 tution, and

1 “(B) the average adjusted bases of all as-
2 sets of which do not exceed \$10,000,000,000.

3 “(2) INSURED DEPOSITORY INSTITUTION.—The
4 term ‘insured depository institution’ shall have the
5 meaning given such term by section 3(c)(2) of the
6 Federal Deposit Insurance Act (12 U.S.C.
7 1813(e)(2)).

8 “(3) CONTROLLED GROUP.—All members of a
9 controlled group of corporations (within the meaning
10 of section 1563(a)(1)) shall be treated as 1 person.
11 In determining the average adjusted bases of assets
12 held by such group, interests held by one member of
13 such group in another member of such group shall
14 be disregarded.

15 “(4) DENIAL OF DOUBLE BENEFIT.—No deduc-
16 tion or other credit shall be allowed under this chap-
17 ter for any amount taken into account in deter-
18 mining the credit under this section.”.

19 (b) CREDIT MADE PART OF GENERAL BUSINESS
20 CREDIT.—Subsection (b) of section 38 of such Code is
21 amended by striking “and” at the end of paragraph (34),
22 by striking the period at the end of paragraph (35) and
23 inserting “, and”, and by adding at the end the following
24 new paragraph:

1 “(36) the financial regulation compliance credit
2 determined under section 45R(a).”.

3 (c) CLERICAL AMENDMENT.—The table of sections
4 for subpart D of part IV of subchapter A of chapter 1
5 of such Code is amended by adding at the end the fol-
6 lowing new item:

 “Sec. 45R. Credit for compliance costs relating to financial regulation.”.

7 (d) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to amounts paid or incurred after
9 the date of the enactment of this Act.

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