

105TH CONGRESS
2^D SESSION

H. R. 3412

IN THE SENATE OF THE UNITED STATES

MARCH 25, 1998

Received; read twice and referred to the Committee on Small Business

AN ACT

To amend and make technical corrections in title III of
the Small Business Investment Act.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Small Business Invest-
3 ment Company Technical Corrections Act of 1998”.

4 **SEC. 2. TECHNICAL CORRECTIONS.**

5 Title III of the Small Business Investment Act of
6 1958 (15 U.S.C. 661) is amended—

7 (1) in section 303(g) (15 U.S.C. 683(g)), by
8 striking subparagraph (13);

9 (2) in section 308 (15 U.S.C. 687) by adding
10 at the end the following:

11 “(j) For the purposes of sections 304 and 305, in
12 a case in which an incorporated or unincorporated busi-
13 ness is not required by law to pay Federal income taxes
14 at the enterprise level but is required to pass income
15 through to its shareholders or partners, an eligible small
16 business or smaller enterprise may be determined by com-
17 puting the after-tax income of such business by deducting
18 from the net income an amount equal to the net income
19 multiplied by the combined marginal Federal and State
20 income tax rate for corporations.”; and

21 (3) in section 320 (15 U.S.C. 687m), by strik-
22 ing “6” and inserting “12”.

Passed the House of Representatives March 24,
1998.

Attest:

ROBIN H. CARLE,

Clerk.