

108TH CONGRESS
1ST SESSION

S. 1331

To clarify the treatment of tax attributes under section 108 of the Internal Revenue Code of 1986 for taxpayers which file consolidated returns.

IN THE SENATE OF THE UNITED STATES

JUNE 25, 2003

Mr. SANTORUM (for himself, Mr. CONRAD, and Mr. BREAUX) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To clarify the treatment of tax attributes under section 108 of the Internal Revenue Code of 1986 for taxpayers which file consolidated returns.

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. CLARIFICATION OF THE TREATMENT OF TAX**
4 **ATTRIBUTES.**

5 (a) IN GENERAL.—Section 108(b) of the Internal
6 Revenue Code of 1986 (relating to reduction of tax at-
7 tributes) is amended by adding at the end the following
8 new paragraph:

9 “(6) AFFILIATED GROUPS.—If the tax-
10 payer is a member of an affiliated group of cor-

1 porations which files a consolidated return
2 under section 1501, the tax attributes described
3 in paragraph (1) shall be the aggregate tax at-
4 tributes of such group. The Secretary shall pre-
5 scribe such regulations as may be necessary
6 under section 1502 to carry out the purposes of
7 this paragraph.”.

8 (b) **EFFECTIVE DATE.**—The amendment made by
9 subsection (a) shall apply to discharges of indebtedness
10 occurring after June 25, 2003, except that discharges of
11 indebtedness under any plan of reorganization in a case
12 under title 11, United States Code, shall be deemed to
13 occur on the date such plan is confirmed.

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