

117TH CONGRESS
1ST SESSION

H. R. 1428

To amend the Internal Revenue Code of 1986 to modify the source rules to provide for economic recovery in the possessions of the United States.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 26, 2021

Ms. PLASKETT 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 modify the source rules to provide for economic recovery in the possessions of the United States.

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 “Territorial Tax Parity
5 Act of 2021”.

6 **SEC. 2. MODIFICATION TO SOURCE RULES INVOLVING POS-**
7 **SESSIONS.**

8 (a) IN GENERAL.—Section 937(b)(2) of the Internal
9 Revenue Code of 1986 is amended by inserting “, but only
10 to the extent such income is attributable to an office or

1 fixed place of business within the United States (deter-
2 mined under the rules of section 864(c)(5))” before the
3 period at the end.

4 (b) SOURCE RULES FOR PERSONAL PROPERTY
5 SALES.—Section 865(j)(3) of such Code is amended by
6 inserting “, 932,” after “931”.

7 (c) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to taxable years beginning after
9 December 31, 2020.

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