

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 961
OFFERED BY MR. RYAN OF WISCONSIN**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Permanent Active Fi-
3 nancing Exception Act of 2015”.

**4 SEC. 2. PERMANENT SUBPART F EXEMPTION FOR ACTIVE
5 FINANCING INCOME.**

6 (a) **BANKING, FINANCING, OR SIMILAR BUSI-**
7 **NESSES.**—Section 954(h) of the Internal Revenue Code of
8 1986 (relating to special rule for income derived in the
9 active conduct of banking, financing, or similar busi-
10 nesses) is amended by striking paragraph (9).

11 (b) **INSURANCE BUSINESSES.**—Section 953(e) of
12 such Code (relating to exempt insurance income) is
13 amended by striking paragraph (10) and by redesignating
14 paragraph (11) as paragraph (10).

15 (c) **EFFECTIVE DATE.**—The amendments made by
16 this section shall apply to taxable years of a foreign cor-
17 poration beginning after December 31, 2014, and to tax-

- 1 able years of United States shareholders with or within
- 2 which such taxable years of such foreign corporation end.

