AMENDMENT TO
RULES COMMITTEE PRINT 115-39
OFFERED BY MR. BUCK OF COLORADO

Add at the end of subtitle D of title III the fol-
lowing:

SEC. 3317. DENIAL OF DEDUCTION FOR SEXUAL HARASS-
MENT SETTLEMENTS.

(a) IN GENERAL.—Section 162(f) is amended—

(1) by striking “AND PENALTIES” and all that
follows through “under subsection (a) for any fine”
and inserting the following: “, PENALTIES, AND
OTHER AMOUNTS.—No deduction shall be allowed
under subsection (a) for any of the following:

“(1) Any fine”, and

(2) by adding at the end the following new
paragraph:

“(2) Any amount paid or incurred on account
of a judgment or settlement (whether by suit or
agreement and whether as lump sum or periodic
payments) originating from, or to require the non-
disclosure of or otherwise prevent, a claim or accusa-
tion of—
“(A) that which would constitute an offense under chapter 109A of title 18, United States Code, or

“(B) sexual harassment (including unwelcome sexual advances, requests for sexual favors, or other verbal or physical harassment of a sexual nature).

The preceding sentence shall include any amount paid or incurred in connection with negotiating or settling an amount described therein.”.

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