AMENDMENT TO RULES COMMITTEE PRINT 114-57

OFFERED BY MRS. RADEWAGEN OF AMERICAN SAMOA

Page 152, after line 20, add the following:

TITLE VIII—PAYMENTS TO POSSESSIONS RELATING TO CHILD TAX CREDIT

SEC. 801. PAYMENTS TO POSSESSIONS RELATING TO CHILD TAX CREDIT.

(a) In General.—

(1) Mirror code possession.—The Secretary of the Treasury shall periodically (but not less frequently than annually) pay to each possession of the United States with a mirror code tax system amounts equal to the loss to that possession by reason of the application of section 24 of the Internal Revenue Code of 1986 with respect to taxable years beginning after December 31, 2016. Such amounts shall be determined by the Secretary of the Treasury based on information provided by the government of the respective possession.
(2) OTHER POSSESSIONS.—The Secretary of the Treasury shall periodically (but no less frequently than annually) pay to each possession of the United States which does not have a mirror code tax system amounts estimated by the Secretary of the Treasury as being equal to the aggregate benefits that would have been provided to residents of such possession by reason of the application of this section for taxable years beginning after December 31, 2016, if a mirror code tax system had been in effect in such possession. The preceding sentence shall not apply with respect to any possession of the United States unless such possession has a plan, which has been approved by the Secretary of the Treasury, under which such possession will promptly distribute such payments to the residents of such possession.

(b) COORDINATION WITH CREDIT ALLOWED AGAINST UNITED STATES INCOME TAXES.—No credit shall be allowed under this section for any taxable year to any person—

(1) to whom a credit is allowed against taxes imposed by the possession by reason of section 24 of the Internal Revenue Code of 1986 (determined without regard to this subsection) for such taxable year, or
(2) who is eligible for a payment under a plan described in subsection (a)(2) with respect to such taxable year.

(c) DEFINITIONS AND SPECIAL RULES.—

(1) POSSESSION OF THE UNITED STATES.—For purposes of this subsection, the term “possession of the United States” includes American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

(2) MIRROR CODE TAX SYSTEM.—For purposes of this subsection, the term “mirror code tax system” means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States, and such system includes a tax credit substantially identical to section 24 of the Internal Revenue Code of 1986.

(3) TREATMENT OF PAYMENTS.—For purposes of section 1324(b)(2) of title 31, United States Code, or any similar rule of law, any payment made under this section shall be treated in the same man-
ner as a refund due from the credit allowed under this section.