AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 2576, AS REPORTED

Offered by M_.

Strike all after the enacting clause and insert the following:

| 1 | SECTION 1. REPEAL OF IMPOSITION OF 3 PERCENT WITH- |
|----|--|
| 2 | HOLDING ON CERTAIN PAYMENTS MADE TO |
| 3 | VENDORS BY GOVERNMENT ENTITIES. |
| 4 | (a) In General.—Section 3402 of the Internal Rev- |
| 5 | enue Code of 1986 is amended by striking subsection (t). |
| 6 | (b) Effective Date.—The amendment made by |
| 7 | this section shall apply to payments made after December |
| 8 | 31, 2011. |
| 9 | SEC. 2. DEDUCTION FOR INCOME ATTRIBUTABLE TO DO- |
| 10 | MESTIC PRODUCTION ACTIVITIES NOT AL- |
| 11 | LOWED WITH RESPECT TO OIL AND GAS AC- |
| 12 | TIVITIES OF MAJOR INTEGRATED OIL COM- |
| 13 | PANIES. |
| 14 | (a) In General.—Subparagraph (A) of section |
| 15 | 199(d)(9) of the Internal Revenue Code of 1986 is amend- |
| 16 | ed by inserting "(9 percent in the case of any major inte- |
| 17 | grated oil company (as defined in section 167(h)(5)))" |
| 18 | after "3 percent". |

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) shall apply to taxable years beginning after
- 3 the date of the enactment of this Act.

