

ADVISORY

FROM THE COMMITTEE ON WAYS AND MEANS SUBCOMMITTEE ON SELECT REVENUE MEASURES

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Chairman Tiberi Announces Hearing on Ways and Means Financial Products Tax Reform Discussion Draft

Congressman Pat Tiberi (R-OH), Chairman of the Subcommittee on Select Revenue Measures, today announced that the Subcommittee will hold a hearing on the financial products tax reform discussion draft [released](#) on January 24, 2013, by the Committee on Ways and Means (“the Committee”). The Committee released the discussion draft to solicit feedback on the details of the draft proposals, which the Committee intends to include as part of comprehensive tax reform legislation that broadens the tax base, lowers tax rates, and simplifies the Code for households, small businesses, and corporations. **The hearing will take place on Wednesday, March 20, 2013, in Room 1100 of the Longworth House Office Building at 1:15 P.M.**

In view of the limited time available to hear witnesses, oral testimony at this hearing will be from invited witnesses only. However, any individual or organization not scheduled for an oral appearance may submit a written statement for consideration by the Committee and for inclusion in the printed record of the hearing. A list of invited witnesses will follow.

BACKGROUND:

As part of its pursuit of comprehensive tax reform, the Committee released on January 24, 2013, a discussion draft of one specific component of broader tax reform legislation involving the tax treatment of financial products. The Committee released this draft because it proposes fundamental changes in the way the United States taxes financial products, and in the interests of transparency, seeks feedback from a broad range of stakeholders, taxpayers, practitioners, economists, and members of the general public on how to improve this proposed set of rules.

The draft includes several reforms intended to provide more uniform tax treatment of financial products. Ways and Means Committee Chairman Dave Camp (R-MI) asked Chairman Tiberi to schedule this hearing to gather analysis from outside experts on the details of the discussion draft.

In announcing the hearing, Chairman Tiberi said, **“The Ways and Means Committee worked hard to produce a draft proposal that reforms the arcane and often inconsistent tax rules governing derivatives and other financial products. This hearing will give the**

Subcommittee the opportunity to consider the potential impact on investors and other participants in the financial markets, and we welcome feedback from the public on how to refine and improve the draft proposal.”

FOCUS OF THE HEARING:

The hearing will focus on the Ways and Means financial products discussion draft released on January 24, 2013. For purposes of this hearing, the Subcommittee is interested in comments and analysis relating to the basic architecture of the draft proposals including, in particular, the scope of the proposal to generally require derivatives to be marked to market for tax purposes, the practical effects of the proposal to simplify the business hedging tax rules, and the operation of the debt instrument proposals relating to market discount and debt restructurings. The hearing also will review the other proposals in the draft relating to the wash sale rules and the determination of gains and losses on sales of securities.

DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:

Please Note: Any person(s) and/or organization(s) wishing to submit written comments for the hearing record must follow the appropriate link on the hearing page of the Committee website and complete the informational forms. From the Committee homepage, <http://waysandmeans.house.gov>, select “Hearings.” Select the hearing for which you would like to submit, and click on the link entitled, “Click here to provide a submission for the record.” Once you have followed the online instructions, submit all requested information. ATTACH your submission as a Word document, in compliance with the formatting requirements listed below, **by the close of business on Wednesday, April 3, 2013**. Finally, please note that due to the change in House mail policy, the U.S. Capitol Police will refuse sealed-package deliveries to all House Office Buildings. For questions, or if you encounter technical problems, please call (202) 225-3625 or (202) 225-2610.

FORMATTING REQUIREMENTS:

The Committee relies on electronic submissions for printing the official hearing record. As always, submissions will be included in the record according to the discretion of the Committee. The Committee will not alter the content of your submission, but we reserve the right to format it according to our guidelines. Any submission provided to the Committee by a witness, any supplementary materials submitted for the printed record, and any written comments in response to a request for written comments must conform to the guidelines listed below. Any submission or supplementary item not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee.

1. All submissions and supplementary materials must be provided in Word format and **MUST NOT** exceed a total of 10 pages, including attachments. Witnesses and submitters are advised that the Committee relies on electronic submissions for printing the official hearing record.
2. Copies of whole documents submitted as exhibit material will not be accepted for printing. Instead, exhibit material should be referenced and quoted or paraphrased. All exhibit

material not meeting these specifications will be maintained in the Committee files for review and use by the Committee.

3. All submissions must include a list of all clients, persons and/or organizations on whose behalf the witness appears. A supplemental sheet must accompany each submission listing the name, company, address, telephone, and fax numbers of each witness.

The Committee seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-225-1721 or 202-226-3411 TTD/TTY in advance of the event (four business days notice is requested). Questions with regard to special accommodation needs in general (including availability of Committee materials in alternative formats) may be directed to the Committee as noted above.

Note: All Committee advisories and news releases are available on the World Wide Web at <http://www.waysandmeans.house.gov/>.