

**[DISCUSSION DRAFT]**

116TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To require issuers required to file an annual or quarterly report under the Securities Exchange Act of 1934 to disclose the total amount of corporate tax such issuer paid in the period covered by the report, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

M\_\_\_\_. \_\_\_\_\_ introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

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**A BILL**

To require issuers required to file an annual or quarterly report under the Securities Exchange Act of 1934 to disclose the total amount of corporate tax such issuer paid in the period covered by the report, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. REQUIREMENT TO DISCLOSE TOTAL COR-**  
2 **PORATE TAXES PAID.**

3 (a) IN GENERAL.—Section 13 of the Securities Ex-  
4 change Act of 1934 (15 U.S.C. 78m) is amended by add-  
5 ing at the end the following new subsection:

6 “(s) DISCLOSURE OF TOTAL CORPORATE TAXES  
7 PAID.—

8 “(1) ISSUER DISCLOSURE REQUIREMENT.—  
9 Each issuer required to file an annual or quarterly  
10 report under subsection (a) shall disclose in that re-  
11 port, on a country-by-country basis using United  
12 States dollars, using consolidated figures for each  
13 jurisdiction in which the issuer or one of its subsidi-  
14 aries did business—

15 “(A) the total pre-tax profit of the issuer  
16 during the period covered by the report;

17 “(B) the total amount paid by the issuer  
18 in State taxes during the period covered by the  
19 report;

20 “(C) the total amount paid by the issuer in  
21 Federal taxes during the period covered by the  
22 report; and

23 “(D) the total amount paid by the issuer  
24 in foreign taxes during the period covered by  
25 the report.

1           “(2) DISCLOSURE OF COUNTRY-BY-COUNTRY  
2           REPORTING INFORMATION.—

3           “(A) IN GENERAL.—Each issuer required  
4           to file an annual or quarterly report under sub-  
5           section (a) shall disclose in that report—

6                   “(i) revenues generated from trans-  
7                   actions with other constituent entities;

8                   “(ii) revenues not generated from  
9                   transactions with other constituent enti-  
10                  ties;

11                  “(iii) profit or loss before income tax;

12                  “(iv) total accrued tax expense re-  
13                  corded on taxable profits or losses, reflect-  
14                  ing only operations in the relevant annual  
15                  period and excluding deferred taxes or pro-  
16                  visions for uncertain tax liabilities;

17                  “(v) stated capital, except that the  
18                  stated capital of a permanent establish-  
19                  ment must be reported in the tax jurisdic-  
20                  tion of residence of the legal entity of  
21                  which it is a permanent establishment un-  
22                  less there is a defined capital requirement  
23                  in the permanent establishment tax juris-  
24                  diction for regulatory purposes;

1 “(vi) total accumulated earnings, ex-  
2 cept that accumulated earnings of a per-  
3 manent establishment must be reported by  
4 the legal entity of which it is a permanent  
5 establishment;

6 “(vii) total number of employees on a  
7 full-time equivalent basis; and

8 “(viii) net book value of tangible as-  
9 sets, which, for purposes of this section,  
10 does not include cash or cash equivalents,  
11 intangibles, or financial assets.

12 “(B) TOTAL ACCRUED TAX EXPENSE.—  
13 Each issuer required to file an annual report  
14 under subsection (a) shall disclose in that re-  
15 port, for each of its subsidiaries and aggregated  
16 on a country-by-country basis, total accrued tax  
17 expense recorded on taxable profits or losses,  
18 reflecting only operations in the relevant annual  
19 period and excluding deferred taxes or provi-  
20 sions for uncertain tax liabilities

21 “(3) AVAILABILITY OF INFORMATION TO THE  
22 PUBLIC.—The Commission shall make the informa-  
23 tion filed in a Report under this subsection publicly  
24 available through the online data system of the Com-  
25 mission and shall ensure that such report informa-

1       tion is searchable, sortable, and downloadable from  
2       the Internet.

3           “(4) DEFINITIONS.—For the purposes of this  
4       subsection:

5           “(A) CONSTITUENT ENTITIES.—The term  
6       ‘constituent entities’ means with respect to a  
7       covered issuer, any separate business entities of  
8       the covered issuer.

9           “(B) TAX JURISDICTION.— The term ‘tax  
10       jurisdiction’ means a country or a jurisdiction  
11       that is not a country but that has fiscal auton-  
12       omy; and includes a territory or possession of  
13       the United States that has fiscal autonomy.”.

14       (b) RULEMAKING DEADLINES.—The Securities and  
15       Exchange Commission shall—

16           (1) not later than 180 days after the date of  
17       the enactment of this Act, issue a proposed rule to  
18       carry out section 13(s) of the Securities Exchange  
19       Act of 1934 as added by this Act;

20           (2) not later than 1 year after the date of the  
21       enactment of this Act, issue a final rule to carry out  
22       section 13(s) of the Securities Exchange Act of 1934  
23       as added by this Act.

24       (c) EFFECTIVE DATE.—Section 13(s) of the Securi-  
25       ties Exchange Act of 1934, as added by this Act, shall

1 be effective one year after the date on which the Securities  
2 and Exchange Commission issues a final rule pursuant to  
3 subsection (b).