

Amendment to the Chairman's Mark

Offered by Representatives Yarmuth, Wasserman Schultz, Boyle, Khanna, and Schakowsky

Close the Carried Interest Loophole

1. Adjust the aggregate levels of revenue by the following amounts in billions of dollars to reflect the increase in revenues resulting from closing the “carried interest” loophole that allows asset managers to disguise their compensation as capital gains.

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Revenues	1.500	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000

2. Make all necessary and conforming changes to the Chairman's mark.
3. Amend the committee report to reflect the following policy assumptions:

The resolution assumes revising tax law to end the “carried interest” loophole, which allows asset managers to pay taxes on their compensation at lower capital gains rates. The loophole caps the maximum tax rate paid by certain asset managers at private equity firms at just 20 percent on the income they receive as compensation for services they provided. This is substantially lower than the rate they would pay if they were taxed based on ordinary income tax rates (up to 37 percent) that all other working Americans pay on the compensation they receive for their labor.