

H.R. 1586

ADDITIONAL TAX ON BONUSES RECEIVED FROM CERTAIN TARP RECIPIENTS

MARCH 18, 2009

Additional tax on bonuses received from certain TARP recipients. The bill would impose a 90 percent tax on bonuses paid after December 31, 2008, by companies that have received over \$5 billion in TARP funds, Fannie Mae, and Freddie Mac. The tax would also apply to bonuses paid by entities affiliated with these companies. Three-fourths of the TARP funds that have been spent went to companies that would be covered by this bill. This tax will not apply to any bonus that is returned to the company in the same taxable year that the bonus is paid. The bill would not affect taxpayers with adjusted gross income below \$250,000 or employees of companies that have received \$5 billion or less in TARP funds.