

**MEMO# 6827**

April 7, 1995

## **HOUSE PASSES TAX CUT BILL**

April 7, 1995 TO: ACCOUNTING/TREASURERS MEMBERS No. 19-95 CLOSED-END FUND COMMITTEE No. 16-95 FEDERAL LEGISLATION COMMITTEE No. 15-95 OPERATIONS COMMITTEE No. 18-95 PENSION COMMITTEE No. 7-95 TAX COMMITTEE No. 16-95 TRANSFER AGENT ADVISORY COMMITTEE No. 25-95 RE: HOUSE PASSES TAX CUT BILL

On April 5, 1995, the House of Representatives approved H.R. 1215, the Tax Fairness and Deficit Reduction Act. The bill incorporates the various tax provisions in the Republican "Contract with America," including the American Dream Savings Account (a new non-deductible or "back-end" Individual Retirement Account) and capital gains provisions (a 50% exclusion and indexation of the basis of certain assets). For a full description of the bill's provisions, see Institute Memoranda to Federal Legislation Committee Memo No. 14-95 dated March 15, 1995; to Tax Members No. 16-95, Accounting/Treasurers Members No. 15-95, Operations Members No. 14-95, Transfer Agent Advisory Committee No. 20-95 and Closed-End Fund Committee No. 10-95, dated March 17, 1995; and to Pension Members No. 17-95 and Tax Members No. 17-95, dated March 20, 1995. We will keep you informed as these matters develop. This memo can be found on FUNDS, the Institute's Fund User Network and Delivery System, under Legislative Affairs; Washington Update." Michael Stern Legislative Representative for Taxation Keith Lawson Associate Counsel for Taxation

---

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.