

Income/Franchise:

Federal: Protecting Retirement Savers and Everyday Investors Bill Introduced in US House

H.R. 1584, introduced in House 3/3/21. Legislation known as the “Protecting Retirement Savers and Everyday Investors Act” has been introduced in the US House of Representatives in response to some states that “have proposed taxes and fees that are based on securities transactions and processing activity related thereto from investors from other States.” If enacted, the bill would impose a limitation on taxation and fees on transactions by certain securities industry participants. Under the pending legislation, subject to certain exceptions, “no State or political subdivision thereof may impose a direct or indirect tax upon a securities industry participant” where that tax is based upon:

URL: <https://www.congress.gov/bill/117th-congress/house-bill/1584/titles?r=534&s=5>

- The number or volume of securities transactions that the securities industry participant consummates or processes, in whole or in part, within that State or political subdivision or by utilizing personnel, resources, systems, facilities, vendors, technology, or infrastructure that are located in or that traverse that State or political subdivision; or
- The value of such securities transactions.

The pending bill defines a “securities industry participant” as a federally regulated self-regulatory organization, national securities exchange, alternative trading system, securities information processor, commodities exchange, clearing agency, trade reporting facility, broker, dealer, or securities trading system or platform owned or operated by a broker or dealer. Please contact us with any questions.

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