

119TH CONGRESS
1ST SESSION

S. _____

To amend the Internal Revenue Code of 1986 to repeal the modification of the definition of adjusted taxable income for purposes of the limitation on business interest.

IN THE SENATE OF THE UNITED STATES

Mrs. CAPITO introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to repeal the modification of the definition of adjusted taxable income for purposes of the limitation on business interest.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Ensuring Better Inter-
5 est Treatment and Deductibility Act (EBITDA)”.

1 **SEC. 2. REPEAL OF MODIFICATION TO DEFINITION OF AD-**
2 **JUSTED TAXABLE INCOME FOR PURPOSES OF**
3 **THE LIMITATION ON BUSINESS INTEREST.**

4 (a) **IN GENERAL.**—Section 163(j)(8)(A) of the Inter-
5 nal Revenue Code of 1986, as amended by Public Law
6 119–21, is amended by inserting “and” at the end of
7 clause (iv) and by striking clause (vi).

8 (b) **EFFECTIVE DATE.**—The amendments made by
9 this section shall apply to taxable years beginning after
10 December 31, 2025.