

***U.S. Senator Elizabeth Warren,
EHF18429: The Accountable Capitalism Act***

The Senate of the United States, [excerpt, p.7-9]

Aug. 15, 2018

1 (1) IN GENERAL.—An entity that is organized
2 as a corporation, body corporate, body politic, joint
3 stock company, or limited liability company in a
4 State shall obtain a charter from the Office as fol-
5 lows:

6 (A) If the entity is a large entity with re-
7 spect to the most recently completed taxable
8 year of the entity before the date of enactment
9 of this Act, the entity shall obtain the charter
10 not later than 2 years after the date of enact-
11 ment of this Act.

12 (B) If the entity is a large entity with re-
13 spect to any taxable year of the entity that be-
14 gins after the date of enactment of this Act, the
15 entity shall obtain the charter not later than 1
16 year after the last day of that taxable year.

17 (2) FAILURE TO OBTAIN CHARTER.—An entity
18 to which paragraph (1) applies and that fails to ob-
19 tain a charter from the Office as required under
20 that paragraph shall not be treated as a corporation,
21 body corporate, body politic, joint-stock company, or
22 limited liability company, as applicable, for the pur-
23 poses of Federal law during the period beginning on
24 the date on which the entity is required to obtain a

1 charter under that paragraph and ending on the
2 date on which the entity obtains the charter.

3 (b) RESCISSIONS.—

4 (1) IN GENERAL.—An entity that has obtained
5 a charter as a United States corporation and, with
6 respect to a subsequent taxable year of the entity,
7 is not a large entity may file a petition with the Of-
8 fice to rescind the charter of the United States cor-
9 poration.

10 (2) DETERMINATION.—Not later than 180 days
11 after the date on which the Office receives a petition
12 that an entity files under paragraph (1), the Office
13 shall grant the petition if the Office determines that
14 the entity, with respect to the most recently com-
15 pleted taxable year of the entity preceding the date
16 on which the petition was filed, was not a large enti-
17 ty.

18 **SEC. 5. RESPONSIBILITIES OF UNITED STATES CORPORA-**
19 **TIONS.**

20 (a) DEFINITIONS.—In this section:

21 (1) GENERAL PUBLIC BENEFIT.—The term
22 “general public benefit” means a material positive
23 impact on society resulting from the business and
24 operations of a United States corporation, when
25 taken as a whole.

1 (2) SUBSIDIARY.—The term “subsidiary”
2 means, with respect to a person, an entity in which
3 the person owns beneficially or of record not less
4 than 50 percent of the outstanding equity interests
5 of the entity, calculated as if all outstanding rights
6 to acquire equity interests in the entity had been ex-
7 exercised.

8 (b) CHARTER REQUIREMENTS.—

9 (1) IN GENERAL.—The charter of a large entity
10 that is filed with the Office shall state that the enti-
11 ty is a United States corporation.

12 (2) CORPORATE PURPOSES.—A United States
13 corporation shall have the purpose of creating a gen-
14 eral public benefit, which shall be—

15 (A) identified in the charter of the United
16 States corporation; and

17 (B) in addition to the purpose of the
18 United States corporation under the articles of
19 incorporation in the State in which the United
20 States corporation is incorporated, if applicable.

21 (c) STANDARD OF CONDUCT FOR DIRECTORS AND
22 OFFICERS.—

23 (1) CONSIDERATION OF INTERESTS.—In dis-
24 charging the duties of their respective positions, and
25 in considering the best interests of a United States