

**TAX RELIEF, UNEMPLOYMENT INSURANCE
REAUTHORIZATION, AND JOB CREATION ACT OF 2010**

[Public Law 111–312]

[As Amended Through P.L. 112–96, Enacted February 22, 2012]

[Currency: This publication is a compilation of the text of Public Law 111–312. It was last amended by the public law listed in the As Amended Through note above and below at the bottom of each page of the pdf version and reflects current law through the date of the enactment of the public law listed at <https://www.govinfo.gov/app/collection/comps/>]

[Note: While this publication does not represent an official version of any Federal statute, substantial efforts have been made to ensure the accuracy of its contents. The official version of Federal law is found in the United States Statutes at Large and in the United States Code. The legal effect to be given to the Statutes at Large and the United States Code is established by statute (1 U.S.C. 112, 204).]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) **SHORT TITLE.**—This Act may be cited as the “Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010”.

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**TITLE VI—TEMPORARY EMPLOYEE
PAYROLL TAX CUT**

SEC. 601. [26 U.S.C. 1401 note] TEMPORARY EMPLOYEE PAYROLL TAX CUT.¹

(a) **IN GENERAL.**—Notwithstanding any other provision of law—

(1) with respect to any taxable year which begins in the payroll tax holiday period, the rate of tax under section 1401(a) of the Internal Revenue Code of 1986 shall be 10.40 percent, and

(2) with respect to remuneration received during the payroll tax holiday period, the rate of tax under 3101(a) of such Code shall be 4.2 percent (including for purposes of deter-

¹Section 101 of Public Law 112–78 provided for amendments to section 601 of this Act. Subsection (e) of section 101 of such Public Law provides:

(e) **EFFECTIVE DATES.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the amendments made by this section shall apply to remuneration received, and taxable years beginning, after December 31, 2011.

(2) **TECHNICAL AMENDMENTS.**—The amendments made by subsection (d) shall take effect as if included in the enactment of section 601 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010.

mining the applicable percentage under sections 3201(a) and 3211(a)(1) of such Code).

(b) COORDINATION WITH DEDUCTIONS FOR EMPLOYMENT TAXES.—

(1) DEDUCTION IN COMPUTING NET EARNINGS FROM SELF-EMPLOYMENT.—For purposes of applying section 1402(a)(12) of the Internal Revenue Code of 1986, the rate of tax imposed by subsection 1401(a) of such Code shall be determined without regard to the reduction in such rate under this section.

(2) INDIVIDUAL DEDUCTION.—In the case of the taxes imposed by section 1401 of such Code for any taxable year which begins in the payroll tax holiday period, the deduction under section 164(f) of such Code with respect to such taxes shall be equal to the sum of—

(A)² 59.6 percent of the portion of such taxes attributable to the tax imposed by section 1401(a) of such Code (determined after the application of this section), plus

(B) one-half of the portion of such taxes attributable to the tax imposed by section 1401(b) of such Code.

(c) PAYROLL TAX HOLIDAY PERIOD.—The term “payroll tax holiday period” means calendar years 2011 and 2012.

(d) EMPLOYER NOTIFICATION.—The Secretary of the Treasury shall notify employers of the payroll tax holiday period in any manner the Secretary deems appropriate.

(e) TRANSFERS OF FUNDS.—

(1) TRANSFERS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND.—There are hereby appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) amounts equal to the reduction in revenues to the Treasury by reason of the application of subsection (a). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had such amendments not been enacted.

(2) TRANSFERS TO SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT.—There are hereby appropriated to the Social Security Equivalent Benefit Account established under section 15A(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n-1(a)) amounts equal to the reduction in revenues to the Treasury by reason of the application of subsection (a)(2). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Account had such amendments not been enacted.

(3) COORDINATION WITH OTHER FEDERAL LAWS.—For purposes of applying any provision of Federal law other than the provisions of the Internal Revenue Code of 1986, the rate of tax in effect under section 3101(a) of such Code shall be deter-

²In the case of a taxable year beginning in 2012, see details in subsection (f)(2) of this section as it relates to applying the provision of subsection (b)(2)(A) as if subparagraph (A) read as follows.

3 **TAX RELIEF, UNEMPLOYMENT INSURANCE REAUTHORIZATIO... Sec. 601**

mined without regard to the reduction in such rate under this section.