

112TH CONGRESS
1ST SESSION

H. R. 1663

To amend the Internal Revenue Code of 1986 to temporarily provide the work opportunity tax credit for small businesses hiring unemployed individuals.

IN THE HOUSE OF REPRESENTATIVES

APRIL 15, 2011

Mr. WEST (for himself, Mr. WALSH of Illinois, Ms. RICHARDSON, and Ms. ROS-LEHTINEN) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to temporarily provide the work opportunity tax credit for small businesses hiring unemployed individuals.

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. WORK OPPORTUNITY TAX CREDIT FOR SMALL**
4 **BUSINESSES HIRING UNEMPLOYED INDIVID-**
5 **UALS.**

6 (a) IN GENERAL.—Section 51 of the Internal Rev-
7 enue Code of 1986 is amended by adding at the end the
8 following new subsection:

1 “(1) TEMPORARY CREDIT FOR UNEMPLOYED INDI-
2 VIDUALS HIRED BY SMALL BUSINESSES.—

3 “(1) IN GENERAL.—In the case of an employer
4 which is a specified small business—

5 “(A) any specified unemployed individual
6 shall be treated as a member of a targeted
7 group for purposes of this section, and

8 “(B) in the case of a high unemployment
9 zone individual, subsection (b)(3) shall be ap-
10 plied by substituting ‘\$12,000’ for ‘\$6,000’.

11 “(2) SPECIFIED SMALL BUSINESS.—For pur-
12 poses of this subsection, the term ‘specified small
13 business’ means, with respect to any taxable year,
14 any employer—

15 “(A) whose gross receipts for the preceding
16 taxable year did not exceed \$20,000,000, or

17 “(B) who is an eligible employer (as de-
18 fined in section 408(p)(2)(C)(i)(I)) for such
19 taxable year.

20 “(3) SPECIFIED UNEMPLOYED INDIVIDUAL.—
21 For purposes of this subsection, the term ‘specified
22 unemployed individual’ means any individual who is
23 certified by the designated local agency as being in
24 receipt of unemployment compensation under State

1 or Federal law for not less than 4 weeks during the
2 1-year period ending on the hiring date.

3 “(4) HIGH UNEMPLOYMENT ZONE INDIVIDUAL.—For purposes of this subsection—

4
5 “(A) IN GENERAL.—The term ‘high unem-
6 ployment zone individual’ means any specified
7 unemployed individual who is certified by the
8 designated local agency as having his principal
9 place of abode in a high unemployment zone.

10 “(B) HIGH UNEMPLOYMENT ZONE.—

11 “(i) IN GENERAL.—The term ‘high
12 unemployment zone’ means any county if
13 the unemployment rate in such county ex-
14 ceeds the greater of—

15 “(I) 4 percent, and

16 “(II) the national unemployment
17 rate.

18 “(ii) DETERMINATION OF UNEMPLOY-
19 MENT RATES.—Determinations under
20 clause (i) shall be made by the Secretary,
21 after consultation with the Secretary of
22 Labor, on the basis of the most recent
23 available data. Such determinations shall
24 be made with respect to each calendar year
25 for which this subsection applies and the

1 Secretary shall make the list of high unem-
2 ployment zones with respect to each such
3 calendar year publicly available not later
4 than the beginning of the calendar year for
5 which the list applies.

6 “(5) TERMINATION.—This subsection shall not
7 apply with respect to any individual who begins work
8 for the employer after December 31, 2013.”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall apply with respect to individuals who
11 begin work for the employer after December 31, 2011.

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