

112TH CONGRESS  
1ST SESSION

# H. R. 2082

To amend the Internal Revenue Code of 1986 to modify the work opportunity credit.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 1, 2011

Mr. SCHOCK (for himself and Mr. RANGEL) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Internal Revenue Code of 1986 to modify the work opportunity credit.

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 “Work Opportunity  
5 Credit Improvements Act”.

6 **SEC. 2. THREE-YEAR EXTENSION OF WORK OPPORTUNITY**

7 **TAX CREDIT.**

8 (a) IN GENERAL.—Subparagraph (B) of section  
9 51(c)(4) of the Internal Revenue Code of 1986 is amended

1 by striking “December 31, 2011” and inserting “Decem-  
2 ber 31, 2014”.

3 (b) EFFECTIVE DATE.—The amendment made by  
4 this section shall apply to individuals who begin work for  
5 the employer after December 31, 2011.

6 **SEC. 3. ALTERNATIVE CERTIFICATION FOR CERTAIN TAR-**  
7 **GETED GROUPS.**

8 (a) IN GENERAL.—Paragraph (13) of section 51(d)  
9 of the Internal Revenue Code of 1986 is amended by add-  
10 ing at the end the following new subparagraph:

11 “(D) ALTERNATIVE CERTIFICATION FOR  
12 CERTAIN TARGETED GROUPS.—Notwithstanding  
13 subparagraph (A), in the case of a recently dis-  
14 charged veteran, a qualified ex-felon, a des-  
15 ignated community resident, a vocational reha-  
16 bilitation referral, a qualified summer youth, or  
17 a qualified SSI recipient, an individual shall be  
18 treated as having been certified by the local  
19 designated agency as a member of a targeted  
20 group if the employer—

21 “(i) prior to filing a return of tax on  
22 which the employer claims a credit with re-  
23 spect to such individual, obtains such docu-  
24 mentation relating to the requirements for  
25 the targeted group of which the individual

1 is a member as would be required by the  
2 designated local agency to be submitted for  
3 certification under subparagraph (A)(i),

4 “(ii) meets the pre-screening require-  
5 ment of subparagraph (A)(ii)(I), and

6 “(iii) maintains such records relating  
7 to such individual as the Secretary shall by  
8 regulation prescribe.”.

9 (b) **EFFECTIVE DATE.**—The amendments made by  
10 this section shall apply to individuals whose hiring date  
11 (as defined in section 51(d)(11) of the Internal Revenue  
12 Code of 1986) is on or after the date of the enactment  
13 of this Act.

14 **SEC. 4. WORK OPPORTUNITY CREDIT FOR CERTAIN RE-**  
15 **CENTLY DISCHARGED VETERANS.**

16 (a) **IN GENERAL.**—Subparagraph (A) of section  
17 51(d)(3) of the Internal Revenue Code of 1986 is amended  
18 by striking “means any veteran” and all that follows and  
19 inserting “means any recently discharged veteran and any  
20 veteran receiving specified benefits.”

21 (b) **RECENTLY DISCHARGED VETERAN; VETERAN**  
22 **RECEIVING SPECIFIED BENEFITS.**—Paragraph (3) of sec-  
23 tion 51(d) of such Code is amended—

24 (1) by redesignating subparagraphs (B) and  
25 (C) as subparagraphs (D) and (E), respectively, and

1           (2) by inserting after subparagraph (A) the fol-  
2           lowing new subparagraphs:

3                   “(B) RECENTLY DISCHARGED VETERAN.—

4           For purposes of subparagraph (A), the term  
5           ‘recently discharged veteran’ means—

6                   “(i) any individual who has served on  
7           active duty (other than active duty for  
8           training) in the Armed Forces of the  
9           United States for more than 180 days,

10                   “(ii) any individual who has been dis-  
11           charged or released from active duty in the  
12           Armed Forces of the United States for a  
13           service-connected disability, and

14                   “(iii) any member of the National  
15           Guard who has served for more than 180  
16           consecutive days of—

17                   “(I) active duty (within the  
18           meaning of title 32, United States  
19           Code) other than for training,

20                   “(II) full-time National Guard  
21           duty (within the meaning of such title  
22           32) other than for training,

23                   “(III) duty, other than inactive  
24           duty or duty for training, in State

1 status (within the meaning of such  
2 title 32), or

3 “(IV) any combination of duty  
4 described in subclause (I), (II), or  
5 (III),

6 who has been discharged or released from  
7 such duty at any time during the 5-year  
8 period ending on the hiring date. Such  
9 term shall not include any veteran who be-  
10 gins work for the employer before the date  
11 of the enactment of this Act.

12 “(C) VETERAN RECEIVING SPECIFIED  
13 BENEFITS.—For purposes of subparagraph (A),  
14 the term ‘veteran receiving specified benefits’  
15 means any veteran who is certified by the des-  
16 ignated local agency as—

17 “(i) being a member of a family re-  
18 ceiving assistance under a supplemental  
19 nutrition assistance program under the  
20 Food and Nutrition Act of 2008 for at  
21 least a 3-month period ending during the  
22 12-month period ending on the hiring date,  
23 or

24 “(ii) entitled to compensation for a  
25 service-connected disability, and—

1                   “(I) having a hiring date which is  
2                   not more than 1 year after having  
3                   been discharged or released from ac-  
4                   tive duty in the Armed Forces of the  
5                   United States, or

6                   “(II) having aggregate periods of  
7                   unemployment during the 1-year pe-  
8                   riod ending on the hiring date which  
9                   equal or exceed 6 months.”.

10           (c) CONFORMING AMENDMENTS.—Section 51 of the  
11 such Code is amended—

12                   (1) by striking “(d)(3)(A)(ii)” in paragraph (3)  
13                   of subsection (b) and inserting “(d)(3)(C)(ii)”,

14                   (2) by striking “For purposes of subparagraph  
15                   (A)” in subparagraphs (D) and (E) of subsection  
16                   (d)(3), as redesignated by subsection (b), and insert-  
17                   ing “For purposes of subparagraph (C)”, and

18                   (3) by adding at the end of paragraph (13) of  
19                   subsection (d), as amended by this Act the following  
20                   new subparagraph:

21                           “(E) PRE-SCREENING OF RECENTLY DIS-  
22                           CHARGED VETERANS.—

23                                   “(i) IN GENERAL.—For purposes of  
24                                   subparagraph (A), the term ‘pre-screening  
25                                   notice’ shall include any documentation

1 provided to an individual by the Depart-  
2 ment of Defense or the National Guard  
3 upon release or discharge from the Armed  
4 Forces or from service in the National  
5 Guard which includes information suffi-  
6 cient to establish that such individual is a  
7 recently discharged veteran.

8 “(ii) ADDITIONAL CERTIFICATION NOT  
9 REQUIRED.—Subparagraph (A) shall be  
10 applied without regard to clause (ii)(II)  
11 thereof in the case of a recently discharged  
12 veteran who provides to the employer docu-  
13 mentation described in clause (i).”.

14 (d) EFFECTIVE DATE.—The amendments made by  
15 subsections (a), (b), and (c) shall apply to individuals  
16 whose hiring date (as defined in section 51(d)(11) of the  
17 Internal Revenue Code of 1986) is on or after the date  
18 of the enactment of this Act.

19 (e) DEPARTMENT OF DEFENSE DOCUMENTATION.—

20 (1) IN GENERAL.—The Department of Defense  
21 and the National Guard, as applicable, shall pro-  
22 vide—

23 (A) to each individual who is discharged or  
24 released from active duty in the Armed Forces

1 of the United States on or after the date of the  
2 enactment of this Act; and

3 (B) to each member of the National Guard  
4 who is released from duty described in section  
5 51(d)(3)(B)(iii) of the Internal Revenue Code  
6 of 1986 (as added by this Act) on or after the  
7 date of the enactment of this Act;

8 in addition to the documentation which, without re-  
9 gard to this subsection, is provided at the time of  
10 such discharge or release, documentation described  
11 in paragraph (4). If the documentation which is pro-  
12 vided without regard to this subsection at the time  
13 of the discharge or release described in the pre-  
14 ceding sentence does not include information suffi-  
15 cient to satisfy the requirements of section  
16 51(d)(13)(D)(i) of the Internal Revenue Code of  
17 1986 (as added by this Act), the Department of De-  
18 fense or the National Guard, whichever is applicable,  
19 shall provide additional documentation which in-  
20 cludes such information.

21 (2) INFORMATIONAL BRIEFING AS PART OF  
22 PRESEPARATION COUNSELING.—In the case of an  
23 individual who is discharged or released from duty  
24 described in subparagraph (A) or (B) of paragraph  
25 (1) after the date of the enactment of this Act, the



1 Department of Defense or the National Guard,  
2 whichever is applicable, shall inform such individual,  
3 as a part of the individual preseparation counseling  
4 required by section 1142 of title 10, United States  
5 Code, of the credit for employment of recently dis-  
6 charged veterans under section 51 of the Internal  
7 Revenue Code of 1986.

8 (3) REQUEST FOR DOCUMENTATION.—The De-  
9 partment of Defense or the National Guard, which-  
10 ever is applicable, shall provide upon request the  
11 documentation required by paragraph (1) to any in-  
12 dividual or a third party authorized by the individual  
13 who is discharged or released from duty described in  
14 subparagraph (A) or (B) of such paragraph during  
15 the 5-year period preceding and including the date  
16 of the enactment of this Act.

17 (4) INSTRUCTIONS FOR USE OF WORK OPPOR-  
18 TUNITY CREDIT.—The documentation described in  
19 this paragraph is a document which includes—

20 (A) instructions for an individual to ensure  
21 treatment as a recently discharged veteran for  
22 purposes of section 51(d)(3)(B) of the Internal  
23 Revenue Code of 1986 (as added by this Act),

1 (B) instructions for employers detailing the  
2 use of the credit under such section with re-  
3 spect to such individual, and

4 (C) the dates during which the credit  
5 under such section is available.

6 Such instructions shall be developed in collaboration  
7 with the Internal Revenue Service.

8 **SEC. 5. INCENTIVES TO HIRE HIGH-RISK YOUTHS.**

9 (a) IN GENERAL.—Subparagraph (A) of section  
10 51(d)(14) of the Internal Revenue Code of 1986 is amend-  
11 ed—

12 (1) by striking “or disconnected youth”, and

13 (2) by inserting “, or any high-risk youth who  
14 so begins work during 2009, 2010, 2011, 2012,  
15 2013, or 2014,” after “during 2009 or 2010”.

16 (b) CONFORMING AMENDMENTS.—

17 (1) Clause (ii) of section 51(d)(14)(B) of such  
18 Code is amended—

19 (A) by striking “disconnected youth” and  
20 inserting “high-risk youth”, and

21 (B) by striking “DISCONNECTED YOUTH”  
22 in the heading thereof and inserting “HIGH-  
23 RISK YOUTH”.

24 (2) The heading for section 51(d)(14) of such  
25 Code is amended by striking “DISCONNECTED

1       YOUTH” in the heading thereof and inserting “HIGH-  
2       RISK YOUTH”.

3       (c) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to individuals who begin work for  
5 the employer after December 31, 2010.

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