

112TH CONGRESS  
1ST SESSION

# H. R. 477

To amend the Internal Revenue Code of 1986 to extend the exemption from employer Social Security taxes with respect to previously unemployed individuals, and to extend the credit for the retention of such individuals.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 26, 2011

Mr. BRALEY of Iowa introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to extend the exemption from employer Social Security taxes with respect to previously unemployed individuals, and to extend the credit for the retention of such 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. SHORT TITLE.**

4 This Act may be cited as the “Back to Work Exten-  
5 sion Act of 2011”.

1 **SEC. 2. PAYROLL TAX FORGIVENESS FOR HIRING UNEM-**  
2 **EMPLOYED WORKERS.**

3 (a) IN GENERAL.—Subsection (d) of section 3111 of  
4 the Internal Revenue Code of 1986 is amended—

5 (1) by striking “with respect to employment  
6 during the period beginning on the day after the  
7 date of the enactment of this subsection and ending  
8 on December 31, 2010,” in paragraph (1) and in-  
9 serting “during the applicable period with respect to  
10 employment”,

11 (2) by striking “January 1, 2011” in paragraph  
12 (3) and inserting “January 1, 2012”,

13 (3) by redesignating paragraph (5) as para-  
14 graph (6) and by inserting after paragraph (4) the  
15 following new paragraph:

16 “(5) APPLICABLE PERIOD.—For purposes of  
17 this subsection, the applicable period with respect to  
18 any qualified individual is the period beginning on  
19 the date the qualified individual begins employment  
20 with the employer and ending on the earlier of the  
21 day that is 1 year after such date or December 31,  
22 2011.”.

23 (b) TRANSFERS TO FEDERAL OLD-AGE AND SUR-  
24 VIVORS INSURANCE TRUST FUND.—There are hereby ap-  
25 propriated to the Federal Old-Age and Survivors Trust  
26 Fund and the Federal Disability Insurance Trust Fund

1 established under section 201 of the Social Security Act  
2 (42 U.S.C. 401) amounts equal to the reduction in reve-  
3 nues to the Treasury by reason of the amendments made  
4 by subsection (a). Amounts appropriated by the preceding  
5 sentence shall be transferred from the general fund at  
6 such times and in such manner as to replicate to the ex-  
7 tent possible the transfers which would have occurred to  
8 such Trust Fund had such amendments not been enacted.

9 (c) APPLICATION TO RAILROAD RETIREMENT  
10 TAXES.—

11 (1) IN GENERAL.—Subsection (c) of section  
12 3221 of the Internal Revenue Code of 1986 is  
13 amended—

14 (A) by striking “during the period begin-  
15 ning on the day after the date of the enactment  
16 of this subsection and ending on December 31,  
17 2010,” in paragraph (1) and inserting “during  
18 the applicable period”,

19 (B) by striking “January 1, 2011” in  
20 paragraph (3) and inserting “January 1,  
21 2012”, and

22 (C) by redesignating paragraph (5) as  
23 paragraph (6) and by inserting after paragraph  
24 (4) the following new paragraph:

1           “(5) APPLICABLE PERIOD.—For purposes of  
2           subparagraph (A), the applicable period with respect  
3           to any qualified individual shall be the period begin-  
4           ning on the date the qualified individual begins em-  
5           ployment with the employer and ending on the ear-  
6           lier of the day that is 1 year after such date or De-  
7           cember 31, 2011.”.

8           (2) TRANSFERS TO SOCIAL SECURITY EQUIVA-  
9           LENT BENEFIT ACCOUNT.—There are hereby appro-  
10          priated to the Social Security Equivalent Benefit Ac-  
11          count established under section 15A(a) of the Rail-  
12          road Retirement Act of 1974 (45 U.S.C. 231n–1(a))  
13          amounts equal to the reduction in revenues to the  
14          Treasury by reason of the amendments made by  
15          paragraph (1). Amounts appropriated by the pre-  
16          ceding sentence shall be transferred from the general  
17          fund at such times and in such manner as to rep-  
18          licate to the extent possible the transfers which  
19          would have occurred to such Account had such  
20          amendments not been enacted.

21          (d) EFFECTIVE DATES.—

22               (1) IN GENERAL.—Except as provided in para-  
23               graph (2), the amendments made by this subsection  
24               shall apply to wages paid after the date of the enact-  
25               ment of this Act.

1           (2) RAILROAD RETIREMENT TAXES.—The  
2           amendments made by subsection (c) shall apply to  
3           compensation paid after the date of the enactment  
4           of this Act.

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