

112TH CONGRESS
1ST SESSION

S. 146

To amend the Internal Revenue Code of 1986 to extend the work opportunity credit to certain recently discharged veterans.

IN THE SENATE OF THE UNITED STATES

JANUARY 25 (legislative day, JANUARY 5), 2011

Mr. BAUCUS (for himself, Mr. TESTER, Mr. GRASSLEY, and Mr. BURR) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to extend the work opportunity credit to certain recently discharged veterans.

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 “Veteran Employment
5 Transition Act of 2011”.

6 **SEC. 2. WORK OPPORTUNITY CREDIT FOR CERTAIN RE-**
7 **CENTLY DISCHARGED VETERANS.**

8 (a) IN GENERAL.—Subparagraph (A) of section
9 51(d)(3) of the Internal Revenue Code of 1986 is amended

1 by striking “means any veteran” and all that follows and
 2 inserting “means any recently discharged veteran and any
 3 veteran receiving specified benefits.”

4 (b) RECENTLY DISCHARGED VETERAN; VETERAN
 5 RECEIVING SPECIFIED BENEFITS.—Paragraph (3) of sec-
 6 tion 51(d) of the Internal Revenue Code of 1986 is amend-
 7 ed—

8 (1) by redesignating subparagraphs (B) and
 9 (C) as subparagraphs (D) and (E), respectively, and

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

12 “(B) RECENTLY DISCHARGED VETERAN.—
 13 For purposes of subparagraph (A), the term
 14 ‘recently discharged veteran’ means—

15 “(i) any individual who has served on
 16 active duty (other than active duty for
 17 training) in the Armed Forces of the
 18 United States for more than 180 consecu-
 19 tive days,

20 “(ii) any individual who has been dis-
 21 charged or released from active duty in the
 22 Armed Forces of the United States for a
 23 service-connected disability, and

1 “(iii) any member of the National
2 Guard who has served for more than 180
3 consecutive days of—

4 “(I) active duty (within the
5 meaning of title 32, United States
6 Code) other than for training,

7 “(II) full-time National Guard
8 duty (within the meaning of such title
9 32) other than for training,

10 “(III) duty, other than inactive
11 duty or duty for training, in State
12 status (within the meaning of such
13 title 32), or

14 “(IV) any combination of duty
15 described in subclause (I), (II), or
16 (III),

17 who has been discharged or released from such
18 duty at any time during the 5-year period end-
19 ing on the hiring date. Such term shall not in-
20 clude any veteran who begins work for the em-
21 ployer before the date of the enactment of the
22 Veteran Employment Transition Act of 2011.

23 “(C) VETERAN RECEIVING SPECIFIED
24 BENEFITS.—For purposes of subparagraph (A),
25 the term ‘veteran receiving specified benefits’

1 means any veteran who is certified by the des-
2 ignated local agency as—

3 “(i) being a member of a family re-
4 ceiving assistance under a supplemental
5 nutrition assistance program under the
6 Food and Nutrition Act of 2008 for at
7 least a 3-month period ending during the
8 12-month period ending on the hiring date,
9 or

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

12 “(I) having a hiring date which is
13 not more than 1 year after having
14 been discharged or released from ac-
15 tive duty in the Armed Forces of the
16 United States, or

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

21 (c) CONFORMING AMENDMENTS.—Section 51 of the
22 Internal Revenue Code of 1986 is amended—

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

1 (2) by striking “For purposes of subparagraph
2 (A)” each place it appears in subparagraphs (D)
3 and (E) of subsection (d)(3), as redesignated by
4 subsection (b), and inserting “For purposes of sub-
5 paragraph (C)”, and

6 (3) by adding at the end of paragraph (13) of
7 subsection (d) the following new subparagraph:

8 “(D) PRE-SCREENING OF RECENTLY DIS-
9 CHARGED VETERANS.—

10 “(i) IN GENERAL.—For purposes of
11 subparagraph (A), the term ‘pre-screening
12 notice’ shall include any documentation
13 provided to an individual by the Depart-
14 ment of Defense or the National Guard
15 upon release or discharge from the Armed
16 Forces or from service in the National
17 Guard which includes information suffi-
18 cient to establish that such individual is a
19 recently discharged veteran.

20 “(ii) ADDITIONAL CERTIFICATION NOT
21 REQUIRED.—Subparagraph (A) shall be
22 applied without regard to clause (ii)(II)
23 thereof in the case of a recently discharged
24 veteran who provides to the employer docu-
25 mentation described in clause (i).”.

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

6 (e) DEPARTMENT OF DEFENSE DOCUMENTATION.—

7 (1) IN GENERAL.—The Department of Defense
8 and the National Guard, as applicable, shall pro-
9 vide—

10 (A) to each individual who is discharged or
11 released from active duty in the Armed Forces
12 of the United States on or after the date of the
13 enactment of this Act; and

14 (B) to each member of the National Guard
15 who is released from duty described in section
16 51(d)(3)(B)(iii) of the Internal Revenue Code
17 of 1986 (as added by this Act) on or after the
18 date of the enactment of this Act;

19 in addition to the documentation which, without re-
20 gard to this subsection, is provided at the time of
21 such discharge or release, documentation described
22 in paragraph (4). If the documentation which is pro-
23 vided without regard to this subsection at the time
24 of the discharge or release described in the pre-
25 ceding sentence does not include information suffi-

1 cient to satisfy the requirements of section
2 51(d)(13)(D)(i) of the Internal Revenue Code of
3 1986 (as added by this Act), the Department of De-
4 fense or the National Guard, whichever is applicable,
5 shall provide additional documentation which in-
6 cludes such information.

7 (2) INFORMATIONAL BRIEFING AS PART OF
8 PRESEPARATION COUNSELING.—In the case of an
9 individual who is discharged or released from duty
10 described in subparagraph (A) or (B) of paragraph
11 (1) after the date of the enactment of this Act, the
12 Department of Defense or the National Guard,
13 whichever is applicable, shall inform such individual,
14 as a part of the individual preseparation counseling
15 required by section 1142 of title 10, United States
16 Code, of the credit for employment of recently dis-
17 charged veterans under section 51 of the Internal
18 Revenue Code of 1986.

19 (3) REQUEST FOR DOCUMENTATION.—The De-
20 partment of Defense or the National Guard, which-
21 ever is applicable, shall provide upon request the
22 documentation required by paragraph (1) to any in-
23 dividual who is discharged or released from duty de-
24 scribed in subparagraph (A) or (B) of such para-

1 graph during the 5-year period preceding and in-
2 cluding the date of the enactment of this Act.

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

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

10 (B) instructions for employers detailing the
11 use of the credit under such section 51 with re-
12 spect to such individual, and

13 (C) the dates during which the credit
14 under such section 51 is available.

15 Such instructions shall be developed in collaboration
16 with the Internal Revenue Service.

○