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II

117TH CONGRESS
1ST SESSION

S. 175

To amend the Internal Revenue Code of 1986 to exempt a portion of unemployment compensation received during 2020 from income taxes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 2, 2021

Mr. DURBIN (for himself, Ms. BALDWIN, Mr. SANDERS, Ms. HIRONO, Mr. MENENDEZ, Mr. REED, Ms. DUCKWORTH, Ms. CORTEZ MASTO, and Ms. WARREN) introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To amend the Internal Revenue Code of 1986 to exempt a portion of unemployment compensation received during 2020 from income taxes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ‘‘Coronavirus Unemployment Benefits Tax Relief Act’’.

SEC. 2. SUSPENSION OF TAX ON PORTION OF UNEMPLOYMENT COMPENSATION.

(a) IN GENERAL.—Section 85 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(c) SPECIAL RULE FOR 2020.—In the case of any taxable year beginning in 2020, gross income shall not include so much of the unemployment compensation received by an individual as does not exceed $10,200.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2019.

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