

117TH CONGRESS
1ST SESSION

S. 3044

To amend the Internal Revenue Code of 1986 to include individuals receiving Social Security Disability Insurance benefits under the work opportunity credit and to increase the work opportunity credit for vocational rehabilitation referrals, qualified SSI recipients, and qualified SSDI recipients.

IN THE SENATE OF THE UNITED STATES

OCTOBER 21, 2021

Mr. CASEY 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 include individuals receiving Social Security Disability Insurance benefits under the work opportunity credit and to increase the work opportunity credit for vocational rehabilitation referrals, qualified SSI recipients, and qualified SSDI recipients.

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 Tax
5 Credit Disability Expansion and Enhancement Act”.

1 **SEC. 2. EXPANSION OF WORK OPPORTUNITY CREDIT TO IN-**
 2 **CLUDE INDIVIDUALS RECEIVING SOCIAL SE-**
 3 **CURITY DISABILITY INSURANCE BENEFITS.**

4 (a) IN GENERAL.—Subsection (d) of section 51 of the
 5 Internal Revenue Code of 1986 is amended—

6 (1) in paragraph (1)—

7 (A) in subparagraph (I), by striking “or”
 8 at the end,

9 (B) in subparagraph (J), by striking the
 10 period at the end and inserting “, or”, and

11 (C) by adding at the end the following new
 12 subparagraph:

13 “(K) a qualified SSDI recipient.”, and

14 (2) by adding at the end the following new
 15 paragraph:

16 “(16) QUALIFIED SSDI RECIPIENT.—The term
 17 ‘qualified SSDI recipient’ means any individual who
 18 is certified by the designated local agency as receiv-
 19 ing disability insurance benefits under section 223 of
 20 the Social Security Act (42 U.S.C. 423) for any
 21 month ending within the 60-day period ending on
 22 the hiring date.”.

23 (b) EFFECTIVE DATE.—The amendments made by
 24 this section shall apply to individuals who begin work for
 25 the employer after December 31, 2021.

1 **SEC. 3. ENHANCEMENT OF WORK OPPORTUNITY CREDIT**
 2 **FOR VOCATIONAL REHABILITATION REFER-**
 3 **RALS, QUALIFIED SSI RECIPIENTS, AND**
 4 **QUALIFIED SSDI RECIPIENTS.**

5 (a) IN GENERAL.—Section 51 of the Internal Rev-
 6 enue Code of 1986 is amended—

7 (1) by redesignating subsections (f) through (k)
 8 as subsections (g) through (l), respectively, and

9 (2) by inserting after subsection (e) the fol-
 10 lowing new subsection:

11 “(f) CREDIT FOR SECOND-YEAR WAGES FOR EM-
 12 PLOYMENT OF VOCATIONAL REHABILITATION REFER-
 13 RALS, QUALIFIED SSI RECIPIENTS, AND QUALIFIED
 14 SSDI RECIPIENTS.—

15 “(1) IN GENERAL.—With respect to employ-
 16 ment of a vocational rehabilitation referral, a quali-
 17 fied SSI recipient, or a qualified SSDI recipient—

18 “(A) the amount of the work opportunity
 19 credit determined under this section for the tax-
 20 able year shall include 20 percent of the quali-
 21 fied second-year wages for such year, and

22 “(B) in lieu of applying subsection (b)(3),
 23 the amount of the qualified first-year wages,
 24 and the amount of qualified second-year wages,
 25 which may be taken into account with respect

1 to such referral or recipient shall not exceed
 2 \$12,500 per year.

3 “(2) QUALIFIED SECOND-YEAR WAGES.—For
 4 purposes of this subsection, the term ‘qualified sec-
 5 ond-year wages’ means qualified wages—

6 “(A) which are paid to a vocational reha-
 7 bilitation referral, a qualified SSI recipient, or
 8 a qualified SSDI recipient, and

9 “(B) which are attributable to service ren-
 10 dered during the 1-year period beginning on the
 11 day after the last day of the 1-year period with
 12 respect to such referral or recipient determined
 13 under subsection (b)(2).

14 “(3) SPECIAL RULES FOR AGRICULTURAL AND
 15 RAILWAY LABOR.—If such referral or recipient is an
 16 employee to whom subparagraph (A) or (B) of sub-
 17 section (i)(1) applies, rules similar to the rules of
 18 such subparagraphs shall apply except that—

19 “(A) such subparagraph (A) shall be ap-
 20 plied by substituting ‘\$12,500’ for ‘\$6,000’, and

21 “(B) such subparagraph (B) shall be ap-
 22 plied by substituting ‘\$1041.67’ for ‘\$500’.”.

23 (b) CONFORMING AMENDMENTS.—

24 (1) Section 51 of the Internal Revenue Code of
 25 1986, as amended by subsection (a), is amended—

1 (A) in subsection (c)(1), by striking “sub-
 2 section (h)(2)” and inserting “subsection
 3 (i)(2)”,

4 (B) in subsection (e)(3), by striking “sub-
 5 section (h)(1)” and inserting “subsection
 6 (i)(1)”, and

7 (C) in subsection (g)(2), by striking “sub-
 8 section (h)(1)” and inserting “subsection
 9 (i)(1)”.

10 (2) Section 45A of such Code is amended—

11 (A) in subsection (b)(1)(B), by inserting
 12 “or (f)(1)(A)” after “subsection (e)(1)(A)”,

13 (B) in subsection (c)(5)(A), by striking
 14 “section 51(i)(1)” and inserting “section
 15 51(j)(1)”, and

16 (C) in subsection (e)(3), by striking “sec-
 17 tion 51(k)” and inserting “section 51(l)”.

18 (3) Section 45S(h)(2) of such Code is amended
 19 by striking “section 51(j)” and inserting “section
 20 51(k)”.

21 (4) Section 1396(d)(2)(A) of such Code is
 22 amended by striking “section 51(i)(1)” and inserting
 23 “section 51(j)(1)”.

1 (5) Section 1397(c) of such Code is amended by
2 striking “section 51(k)” and inserting “section
3 51(l)”.

4 (6) Section 3111(e)(3)(B) of such Code is
5 amended by striking “subsection (i)(3)(A)” and in-
6 serting “subsection (j)(3)(A)”.

7 (c) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to individuals who begin work for
9 the employer after December 31, 2021.

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