112TH CONGRESS  
2D Session  

H. R. 6675

To direct the Secretary of Commerce to establish a program under which preloaded debit cards are made available for the purchase of certain goods and services.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 18, 2012

Mr. ANDREWS 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

A BILL

To direct the Secretary of Commerce to establish a program under which preloaded debit cards are made available for the purchase of certain goods and services.

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 “Economic Stimulus, Tax Credit Act of 2012”.

SEC. 2. DEBIT CARD STIMULUS PROGRAM.

(a) IN GENERAL.—The Secretary of Commerce, in consultation with the Secretary of the Treasury, shall es-
establish a debit card stimulus program, under which the Secretary of Commerce shall issue pre-loaded debit cards to eligible taxpayers.

(b) Amount on Debit Card.—The amount loaded on a debit card pursuant to subsection (a) shall be the sum of—

(1)(A) $5,000 in the case of an eligible taxpayer who filed a joint return for the first taxable year beginning in 2011, and

(B) $3,000 in the case of an eligible taxpayer who filed an individual return of income tax for the first taxable year beginning in 2011, plus

(2) $500 only in the case of an eligible taxpayer who uses the debit card to acquire an automobile subject to subsection (f)(5).

(e) Eligibility.—

(1) A taxpayer is eligible if the taxpayer is a citizen of the United States and the gross income of the taxpayer for taxable year 2011 does not exceed the applicable limit.

(2)(A) For taxpayers filing a joint income tax return the applicable limit is the sum of $75,000, plus the phaseout amount.
(B) For taxpayers filing an individual tax return the applicable limit is the sum of $50,000, plus the phaseout amount.

(d) **Phaseout Amount.**—The phaseout amount shall be $4,999 less 20% of that amount for each thousand dollars in gross income above the eligible gross income amounts of $75,000 and $50,000 respectively, resulting in no eligibility at income levels of $80,000 and $55,000 respectively.

(e) **Gross Income.**—The term “gross income” has the meaning given such term by Section 61 of the Internal Revenue Code of 1986.

(f) **Debit Card Stimulus Program.**—For purposes of this section, the debit card stimulus program established under subsection (a) is a program which shall be subject to the following terms and conditions:

1. The debit card is active for a 6-month period. Any amount remaining on the debit card at the end of the 6-month period is forfeited.

2. The debit card ceases to be active when the balance on the card is zero.

3. An active debit card is issued to the eligible taxpayer. In the case of a joint return, an active debit card is issued to the taxpayer and a debit card is issued to the spouse of the taxpayer, with the
total dollar amount preloaded on both cards jointly
equaling the $5,000/$5,500 limit.

(4) The debit card may be used for the fol-
lowing types of purchases:

(A) Durable goods.

(B) Clothes.

(C) Services (other than medical services
and business-related legal services) performed
within the United States.

(D) Residential home mortgage payments
where the debtor is at least three months in ar-
rears, as of the effective date of this Act. This
shall be limited by regulation to a specific por-
tion of the funds provided under this Act.

(5) A debit card may only be used for the ac-
quision of a passenger automobile if—

(A) the original use of the automobile be-
gins with the taxpayer,

(B) the acquisition is by way of an 18-
month renewable (at the lessee’s option) lease,
and

(C) the automobile was manufactured in
the United States by a manufacturer if the
headquarters of the parent of the manufacturer
(as of December 31, 2008) is either—
(i) located in the United States, or

(ii) located in a country which the Secretary of Commerce has certified has opened its markets to all automobiles manufactured in the United States.

For purposes of this paragraph, the term “passenger automobile” has the meaning given such term by section 32901(a)(18) of title 49, United States Code.

(6) The debit card may not be used for any purchase of a good or service, or the acquisition of a passenger automobile under a lease, if the cost of such good, service, or lease is greater than the amount provided under the debit card stimulus program.

(7) Not more than one-third of the amount on the debit card may be expended within any 2-month period unless the expenditure is for the acquisition of a single good, service, or lease.

(8) Acquisitions after the effective date of the debit card stimulus program (but prior to its implementation) shall be reimbursable under the program, as follows:
(A) The sales receipt relating to the acquisition shall be presented to the merchant who provided the goods or services.

(B) The merchant would place those acquisitions on the debit card once the program is fully implemented.

(9) The program shall be subject to such other terms and conditions as the Secretary of Commerce shall specify by regulations.

(g) ELIGIBLE TAXPAYERS.—For purposes of this section—

(1) IN GENERAL.—A taxpayer is an eligible taxpayer if the taxpayer is a citizen of the United States.

(2) DEPENDENTS NOT ELIGIBLE.—An individual with respect to whom a deduction under section 151 is allowable to another taxpayer for the most recent taxable year for which a return is required (but for any threshold amount) to be filed shall not be treated as an eligible taxpayer for purposes of this section.

(3) SPECIAL RULE RELATING TO PRISONERS.—An individual may not use a debit card issued pursuant to this section during any period of incarceration in a Federal, State, or local prison.
(h) **Employee Retention Tax Credit.**—

(1) **In general.**—There shall be allowed to the employer of any qualified retained employee a credit against the tax imposed by chapter 1 of the Internal Revenue Code of 1986 in the amount of the employee retention credit.

(2) **Employee retention credit.**—

(A) **In general.**—For purposes of paragraph (1), the employee retention credit for the taxable year of the employer which includes the last day of the employee retention period is an amount equal to the excess (if any) of—

(i) $3,000 multiplied by the number of qualified retained employees, less

(ii) $3,000 multiplied by the number of specified dismissed employees.

(B) **Increase in credit amount.**—The $3,000 amount in subparagraph (A)(i) shall be increased to the highest level that the Secretary of the Treasury determines would not cause the aggregate amount of the credits allowed by paragraph (1) to be a revenue loss to the Treasury. For purposes of this subparagraph, the determination shall be based on—
(i) the amount of Federal income tax withheld from each qualified retained employee during the period of employment under the program and the employee retention period, and

(ii) all unemployment benefits which that employee would have continued to receive during the period of employment under the program and the employee retention period had that employee not been employed.

(3) QUALIFIED RETAINED EMPLOYEE.—For purposes of paragraph (1), an employee is a qualified retained employee if the employee—

(A) whose hiring date with the employer is after the beginning of the debit card stimulus program and who first begins work before the end of the program, and

(B) who, without a break in service, performs services in the United States for the employer for the employee retention period.

(4) EMPLOYEE RETENTION PERIOD.—For purposes of this subsection, the employee retention period is the 6-month period beginning on the day after the end of the debit card stimulus program.
(5) Specified dismissed employee.—For purposes of paragraph (1), an employee is a specified dismissed employee of an employer if—

(A) the employee was performing services in the United States for the employer before the beginning of the debit card stimulus program, and

(B) the employee was separated from service during the 12-month period beginning on the first day of the program.

(6) Employee.—For purposes of this subsection, an employee shall not be taken into account for purposes of this subsection unless the employee typically performs not less than 35 hours of service (or the equivalent thereof) for the employer. For purposes of the preceding sentence, the term “hour of service” means a time of service determined under regulations prescribed by the Secretary of Labor.

(7) Business credit.—The credit allowed under paragraph (1) shall be treated as a business credit allowed under subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986.
(i) REGULATIONS.—The Secretary of the Treasury or
the Secretary’s delegate shall issue such regulations as
may be necessary to carry out this Act.

SEC. 3. APPROPRIATIONS.

(a) EXCESS FUNDS FROM OPERATION ENDURING
FREEDOM.—Funds made available to the Department of
Defense for Overseas Contingency Operations that are in
excess of the amounts required by the Department for Op-
eration Enduring Freedom because of the redeployment
of members of the Armed Forces of the United States
from Afghanistan are hereby made available to carry out
this Act.

(b) REPATRIATION OF FOREIGN EARNINGS.—The
amount equal to the taxes received in the Treasury of the
United States pursuant to any provision of law enacted
pursuant to an Act of Congress enacted after the date of
the enactment of this Act which provides for a reduced
tax rate on profits held outside the United States by do-

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