To provide a payroll tax credit for best practices training expenses associated with protecting employees from COVID–19.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 2020

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

A BILL

To provide a payroll tax credit for best practices training expenses associated with protecting employees from COVID–19.

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

SEC. 1. SHORT TITLE.

This Act may be cited as the “Businesses Preparing for a Better Tomorrow Act”.

SEC. 2. WORKPLACE TRAINING TAX CREDIT.

(a) In General.—In the case of an employer, there shall be allowed as a credit against applicable employment taxes for each calendar quarter an amount equal to 50 percent of the sum of the qualified workplace training ex-
penses paid or incurred by the employer during such cal-
endar quarter.

(b) LIMITATIONS AND REFUNDABILITY.—

(1) LIMITATION.—

(A) IN GENERAL.—The amount of the credit allowed under subsection (a) with respect to any employer for any calendar quarter shall not exceed the excess (if any) of—

(i) the applicable dollar limit with re-
spect to such employer for such calendar quarter; over

(ii) the aggregate credits allowed under subsection (a) with respect to such employer for all preceding calendar quar-
ters.

(B) APPLICABLE DOLLAR LIMIT.—The term “applicable dollar limit” means, with re-
spect to any employer for any calendar quarter, the sum of—

(i) $1,000, multiplied so much of the average number of employees employed by such employer during such calendar quar-
ter as does not exceed 500; plus
(ii) $750, multiplied by so much of such average number of employees as exceeds 500 but does not exceed 1,000; plus

(iii) $500, multiplied by so much of such average number of employees as exceeds 1,000.

(2) Credit limited to employment taxes.—The credit allowed by subsection (a) with respect to any calendar quarter shall not exceed the applicable employment taxes (reduced by any credits allowed under subsections (e) and (f) of section 3111 of the Internal Revenue Code of 1986, sections 7001 and 7003 of the Families First Coronavirus Response Act, and section 2301 of the CARES Act) on the wages paid with respect to the employment of all the employees of the eligible employer for such calendar quarter.

(3) Refundability of excess credit.—

(A) In general.—If the amount of the credit under subsection (a) exceeds the limitation of paragraph (2) for any calendar quarter, such excess shall be treated as an overpayment that shall be refunded under sections 6402(a) and 6413(b) of the Internal Revenue Code of 1986.
(B) Treatment of Payments.—For purposes of section 1324 of title 31, United States Code, any amounts due to the employer under this paragraph shall be treated in the same manner as a refund due from a credit provision referred to in subsection (b)(2) of such section.

(c) Qualified Workplace Training Expenses.—For purposes of this section, the term "qualified workplace training expenses" means amounts paid or incurred by the employer for education and training with respect to industry best practices that ensure—

(1) the health and safety of employees in the workplace with respect to COVID–19; and

(2) the prevention of the spread of COVID–19 in the workplace.

(d) Definitions.—For purposes of this section—

(1) Applicable Employment Taxes.—The term "applicable employment taxes" means the following:

(A) The taxes imposed under section 3111(a) of the Internal Revenue Code of 1986.

(B) So much of the taxes imposed under section 3221(a) of such Code as are attributable to the rate in effect under section 3111(a) of such Code.
(2) Secretary.—The term “Secretary” means the Secretary of the Treasury or the Secretary’s delegate.

(e) Special Rules.—

(1) Aggregation Rule.—All persons treated as a single employer under subsection (a) or (b) of section 52 of the Internal Revenue Code of 1986, or subsection (m) or (o) of section 414 of such Code, shall be treated as one employer for purposes of this section.

(2) Denial of Double Benefit.—

(A) In General.—Rules similar to the rules of paragraphs (1) and (2) of section 280C(b) shall apply for purposes of this section.

(B) Expenses Not Taken Into Account More Than Once.—Any qualified workplace reconfiguration expense or qualified workplace technology expense shall not be treated as a qualified employee protection expense and any qualified workplace technology expense shall not be treated as a qualified workplace reconfiguration expense.

(3) Third-Party Payors.—Any credit allowed under this section shall be treated as a credit described in section 3511(d)(2) of such Code.
(4) Election not to have section apply.—This section shall not apply with respect to any eligible employer for any calendar quarter if such employer elects (at such time and in such manner as the Secretary may prescribe) not to have this section apply.

(f) Transfers to certain trust funds.—There are hereby appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) and the Social Security Equivalent Benefit Account established under section 15A(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(a)) amounts equal to the reduction in revenues to the Treasury by reason of this section (without regard to this subsection). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund or Account had this section not been enacted.

(g) Treatment of deposits.—The Secretary shall waive any penalty under section 6656 of the Internal Revenue Code of 1986 for any failure to make a deposit of any applicable employment taxes if the Secretary deter-
mines that such failure was due to the reasonable anticipa-
tion of the credit allowed under this section.

(h) APPLICATION.—This section shall only apply to
amounts paid or incurred after March 12, 2020, and be-
fore January 1, 2021.