

119TH CONGRESS
2D SESSION

H. R. 8816

To amend the Internal Revenue Code of 1986 to exclude strike benefits from gross income.

IN THE HOUSE OF REPRESENTATIVES

MAY 14, 2026

Mr. HORSFORD (for himself, Ms. KAMLAGER-DOVE, and Ms. TITUS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to exclude strike benefits from gross income.

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 “Tax Cut for Striking
5 Workers Act of 2026”.

6 **SEC. 2. STRIKE BENEFITS.**

7 (a) IN GENERAL.—Part III of subchapter B of chap-
8 ter 1 of the Internal Revenue Code of 1986 is amended
9 by inserting after section 139L the following new section:

1 **“SEC. 139M. COMPENSATION FOR LOST WAGES RELATING**
2 **TO A STRIKE, LOCKOUT, OR WORK STOP-**
3 **PAGE.**

4 “(a) IN GENERAL.—In the case of an individual,
5 gross income shall not include qualified strike benefits.

6 “(b) QUALIFIED STRIKE BENEFITS.—For purposes
7 of this section, the term ‘qualified strike benefits’ means
8 compensation provided by a labor organization described
9 in section 501(c)(5) and exempt from tax under section
10 501(a) to a member of such organization if such com-
11 pensation is provided as a replacement, in whole or in
12 part, for compensation not received by such member from
13 such member’s employer as the result of a strike or lock-
14 out arising from a labor dispute (as defined in section 2
15 of the National Labor Relations Act), or a work stoppage
16 under the Railway Labor Act.”.

17 (b) TREATMENT UNDER EARNED INCOME TAX
18 CREDIT.—Section 32(e)(2)(B)(vi) of the Internal Revenue
19 Code of 1986 is amended by inserting “or 139M” after
20 “by reason of section 112”.

21 (c) CLERICAL AMENDMENT.—The table of sections
22 for part III of subchapter B of chapter 1 of the Internal
23 Revenue Code of 1986 is amended by inserting after the
24 item relating to section 139L the following new item:

“Sec. 139M. Compensation for lost wages relating to a strike, lockout, or work
stoppage.”.

1 (d) **EFFECTIVE DATE.**—The amendments made by
2 this section shall apply to compensation received after De-
3 cember 31, 2026.

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