

105TH CONGRESS  
1ST SESSION

# S. 1123

To amend the Internal Revenue Code of 1986 relating to the unemployment tax for individuals employed in the entertainment industry.

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## IN THE SENATE OF THE UNITED STATES

JULY 31, 1997

Mr. HATCH (for himself, Mr. BAUCUS, Mr. D'AMATO, and Mrs. BOXER) 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 relating to the unemployment tax for individuals employed in the entertainment industry.

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. INDIVIDUALS EMPLOYED IN ENTERTAINMENT**  
4 **INDUSTRY.**

5 (a) IN GENERAL.—Section 3304(a)(15) of the Inter-  
6 nal Revenue Code of 1986 (relating to reductions in tax)  
7 is amended—

8 (1) by striking “and” at the end of subpara-  
9 graph (A),

1           (2) by striking the period at the end of sub-  
2 paragraph (B) and inserting “; and”, and

3           (3) by adding at the end the following:

4           “(C) in the case of a pension, retirement  
5 or retired pay, annuity, or other similar periodic  
6 payment under an entertainment industry plan  
7 contributed to by an employer—

8           “(i) such a reduction shall not be re-  
9 quired by reason of such a payment un-  
10 less—

11           “(I) such individual worked for  
12 such employer before the base period,  
13 and

14           “(II) such employer contributed  
15 to such plan on account of such indi-  
16 vidual’s work for such employer before  
17 the base period, and

18           “(ii) subject to subparagraph (B),  
19 such reduction shall not exceed the amount  
20 (if any) of the increase referred to in sub-  
21 paragraph (A)(ii) in such payment which is  
22 attributable to services performed by such  
23 individual for such employer;”.

1 (b) ENTERTAINMENT INDUSTRY PLAN AND EM-  
 2 PLOYER.—Section 3304 of such Code is amended by add-  
 3 ing at the end the following new subsection:

4 “(g) ENTERTAINMENT INDUSTRY PLANS AND EM-  
 5 PLOYERS.—For purposes of subsection (a)(15)(C)—

6 “(1) ENTERTAINMENT INDUSTRY PLAN.—The  
 7 term ‘entertainment industry plan’ means any multi-  
 8 employer plan substantially all of the contributions  
 9 to which are made by entertainment industry em-  
 10 ployers.

11 “(2) ENTERTAINMENT INDUSTRY EMPLOYER.—  
 12 The term ‘entertainment industry employer’ means  
 13 any employer substantially all of the trades or busi-  
 14 nesses of which consists of either or both—

15 “(A) radio or television broadcasting, and

16 “(B) the production or distribution of vis-  
 17 ual images or sound on—

18 “(i) video or audiotape,

19 “(ii) film, or

20 “(iii) computer-generated or other vis-  
 21 ual or audio media,

22 for public dissemination (whether for entertainment,  
 23 informational, commercial, educational, religious, or  
 24 other purposes).”

25 (c) EFFECTIVE DATE.—

1           (1) IN GENERAL.—The amendments made by  
2       this section shall apply to weeks beginning after De-  
3       cember 31, 1997.

4           (2) SPECIAL RULE.—In the case of any State  
5       the legislature of which has not been in session for  
6       at least 30 calendar days (whether or not successive)  
7       between the date of the enactment of this Act and  
8       December 31, 1997, the amendments made by this  
9       section shall apply to weeks beginning after the date  
10      which is 30 calendar days after the first day on  
11      which such legislature is in session on or after De-  
12      cember 31, 1997.

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