

108TH CONGRESS  
1ST SESSION

# H. R. 1649

To amend the Internal Revenue Code of 1986 and the Social Security Act to clarify rules for determining whether certain agent-drivers and commission-drivers are employees.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 2003

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

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## A BILL

To amend the Internal Revenue Code of 1986 and the Social Security Act to clarify rules for determining whether certain agent-drivers and commission-drivers are employees.

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. CLARIFICATION OF DEFINITION OF FACILITIES**  
4                       **FOR AGENT-DRIVERS AND COMMISSION-**  
5                       **DRIVERS.**

6       (a) INTERNAL REVENUE CODE.—Subsection (d) of  
7       section 3121 of the Internal Revenue Code of 1986 (defin-

1 ing employee) is amended by adding at the end the fol-  
2 lowing new flush sentence:

3 “For purposes of paragraph (3), the determination of  
4 whether an agent-driver or commission-driver described in  
5 paragraph (3)(A) has a substantial investment in facilities  
6 shall be made by treating an investment in a distribution  
7 right or territory as an investment in facilities.”

8 (b) SOCIAL SECURITY ACT.—Subsection (j) of section  
9 210 of the Social Security Act is amended by adding at  
10 the end the following new flush sentence:

11 “For purposes of paragraph (3), the determination of  
12 whether an agent-driver or commission-driver described in  
13 paragraph (3)(A) has a substantial investment in facilities  
14 shall be made by treating an investment in a distribution  
15 right or territory as an investment in facilities.”

16 (c) EFFECTIVE DATE.—The amendments made by  
17 this section shall apply to services performed after Decem-  
18 ber 31, 2002.

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