

108TH CONGRESS
2D SESSION

H. R. 4945

To amend the Internal Revenue Code of 1986 to provide an incentive for expanding employment in rural areas by allowing employers the work opportunity credit for hiring residents of rural areas.

IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2004

Mr. HAYES 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 provide an incentive for expanding employment in rural areas by allowing employers the work opportunity credit for hiring residents of rural areas.

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 “Rural Economic Devel-
5 opment and Opportunities Act of 2004”.

1 **SEC. 2. WORK OPPORTUNITY CREDIT TO APPLY TO NEW**
2 **EMPLOYEES WHO ARE RESIDENTS OF RURAL**
3 **AREAS.**

4 (a) IN GENERAL.—Paragraph (1) of section 51(d) of
5 the Internal Revenue Code of 1986 (defining members of
6 targeted groups) is amended by striking “or” at the end
7 of subparagraph (G), by striking the period at the end
8 of subparagraph (H) and inserting “, or”, and by adding
9 at the end the following new subparagraph:

10 “(I) a rural area resident.”

11 (b) RURAL AREA RESIDENT.—Subsection (d) of sec-
12 tion 51 of such Code is amended by redesignating para-
13 graphs (10) through (12) as paragraphs (11) through
14 (13), respectively, and by inserting after paragraph (9) the
15 following new paragraph:

16 “(10) RURAL AREA RESIDENT.—

17 “(A) IN GENERAL.—The term ‘rural area
18 resident’ means, with respect to any period, any
19 employee of the employer if—

20 “(i) substantially all of the services
21 performed during such period by such em-
22 ployee for such employer are performed
23 within an area determined by the Secretary
24 of Agriculture to be a rural area, and

1 “(ii) the principal place of abode of
2 such employee while performing such serv-
3 ices is within such an area.

4 “(B) TERMINATION.—Such term shall not
5 include any individual who begins work for the
6 employer after the date which is 5 years after
7 the date of the enactment of this paragraph.”

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to individuals who begin work for
10 the employer after the date of the enactment of this Act.

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