

111TH CONGRESS
1ST SESSION

H. R. 2367

To amend the Internal Revenue Code of 1986 to allow a credit to employers for reimbursing the expenses of employees who provide carpooling.

IN THE HOUSE OF REPRESENTATIVES

MAY 12, 2009

Mr. HODES 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 allow a credit to employers for reimbursing the expenses of employees who provide carpooling.

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. CARPOOLING REIMBURSEMENT CREDIT.**

4 (a) IN GENERAL.—Subpart D of part IV of sub-
5 chapter A of chapter 1 of the Internal Revenue Code of
6 1986 (relating to business-related credits) is amended by
7 adding at the end the following new section:

8 **“SEC. 45R. CARPOOLING REIMBURSEMENT CREDIT.**

9 “(a) GENERAL RULE.—For purposes of section 38,
10 the carpooling reimbursement credit determined under

1 this section for the taxable year is an amount equal to
2 50 percent of the amount paid or incurred by the taxpayer
3 during the taxable year to reimburse employees of the tax-
4 payer for qualified carpooling expenses.

5 “(b) LIMITATION.—The amount of reimbursement
6 which may be taken into account under subsection (a)
7 shall not exceed \$250 with respect to any employee of the
8 taxpayer for any taxable year.

9 “(c) QUALIFIED CARPOOLING EXPENSES.—For pur-
10 poses of this section—

11 “(1) IN GENERAL.—The term ‘qualifying car-
12 pooling expenses’ means the reasonable commuting
13 expenses paid or incurred by an employee of the tax-
14 payer while providing a carpooling service.

15 “(2) REASONABLE COMMUTING EXPENSES.—
16 The term ‘reasonable commuting expenses’ means
17 reasonable expenses paid or incurred in connection
18 with driving a passenger automobile between an in-
19 dividual’s residence and place of employment.

20 “(3) CARPOOLING SERVICE.—The term ‘car-
21 pooling service’ means carrying as passengers (in ad-
22 dition to the driver) at least 2 individuals who are
23 also traveling between such passenger’s residence
24 and place of employment.

1 “(d) NO DOUBLE BENEFIT.—No deduction or credit
2 shall be allowed under any other provision of this chapter
3 with respect to the amount of the credit determined under
4 this section.

5 “(e) PAYMENTS TO STATE AND LOCAL GOVERN-
6 MENTS.—The Secretary shall pay to State and local gov-
7 ernments the amount of the carpooling reimbursement
8 credit that would be determined under subsection (a) if
9 such State or local government were a taxpayer. For pur-
10 poses of section 1324 of title 31, United States Code, such
11 payments shall be treated as a refunding of internal rev-
12 enue collections to which subsection (b) of such section
13 does not apply.”.

14 (b) CREDIT TO BE PART OF GENERAL BUSINESS
15 CREDIT.—Subsection (b) of section 38 of such Code (re-
16 lating to general business credit) is amended by striking
17 “plus” at the end of paragraph (34), by striking the period
18 at the end of paragraph (35) and inserting “, plus”, and
19 by adding at the end the following new paragraph:

20 “(36) the carpooling reimbursement credit de-
21 termined under section 45R(a).”.

22 (c) CLERICAL AMENDMENT.—The table of sections
23 for subpart D of part IV of subchapter A of chapter 1
24 of such Code is amended by inserting after the item relat-
25 ing to section 45Q the following new item:

“Sec. 45R. Carpooling reimbursement credit.”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 the date of the enactment of this Act.

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