I

114TH CONGRESS
1ST SESSION

H. R. 1657

To amend the Internal Revenue Code of 1986 to prevent claims of the earned income tax credit by individuals receiving work authorizations pursuant to deferred action programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 26, 2015

Mr. MARCHANT 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 to prevent claims of the earned income tax credit by individuals receiving work authorizations pursuant to deferred action programs, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Fairness for Americans in Internal Revenue Refunds Act''.

SEC. 2. PREVENTION OF CLAIMS OF EARNED INCOME TAX CREDIT BY INDIVIDUALS RECEIVING WORK AUTHORIZATIONS PURSUANT TO DEFERRED ACTION PROGRAMS.

(a) IN GENERAL.—Section 32(m) of the Internal Revenue Code of 1986 is amended—

(1) by striking ‘‘Solely for purposes of’’ and inserting the following:

‘‘(1) IN GENERAL.—Solely for purposes of’’, and

(2) by striking ‘‘a social security number issued to an individual’’ and all that follows and inserting ‘‘a specified social security number.’’, and

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

‘‘(2) SPECIFIED SOCIAL SECURITY NUMBER.— For purposes of this section—

‘‘(A) IN GENERAL.—The term ‘specified social security number’ means a social security number issued to an individual by the Social Security Administration.

‘‘(B) EXCEPTIONS.—Such term shall not include—

‘‘(i) any social security number issued pursuant to subclause (II) (or that portion of subclause (III) that relates to subclause

(II)) of section 205(c)(2)(B)(i) of the Social Security Act, and

"(ii) any social security number issued pursuant to a work authorization obtained pursuant to—

"(I) the memorandum of the Secretary of Homeland Security dated June 15, 2012, and entitled 'Exercising Prosecutorial Discretion with Respect to Individuals Who Came to the United States as Children',

"(II) the memorandum of the Secretary of Homeland Security dated November 20, 2014, and entitled 'Exercising Prosecutorial Discretion with Respect to Individuals Who Came to the United States as Children and with Respect to Certain Individuals Who Are the Parents of U.S. Citizens or Permanent Residents', or

"(III) any other program not specifically established by law which provides a class of individuals not otherwise legally present in the United States deferred action on removal.

"(C) SPECIAL RULES WITH RESPECT TO CERTAIN BENEFICIARIES OF DEFERRED ACTION.—

"(i) TREATMENT UPON GRANT OF CITIZENSHIP.—A social security number otherwise described in subparagraph (B)(ii) shall cease to be treated as issued pursuant to a work authorization described in such subparagraph if, and only if, the individual to whom such social security number is issued becomes a citizen of the United States.

"(ii) NO RETROACTIVE EFFECT UPON GRANT OF CITIZENSHIP.—In the case of a social security number to which clause (i) applies, such social security number shall be treated as a specified social security number only to the extent that such number is included on returns of tax which relate to taxable years ending after the date on which such individual becomes a citizen of the United States.".

(b) COORDINATION WITH DEPARTMENT OF HOMELAND SECURITY AND SOCIAL SECURITY ADMINISTRATION.—

(1) DEPARTMENT OF HOMELAND SECURITY.—The Secretary of Homeland Security shall—

(A) ensure that the Commissioner of Social Security receives sufficient information in a timely manner to determine that a social security account number described in section 32(m)(2)(B)(ii) of the Internal Revenue Code of 1986 is being issued pursuant to a program referred to in such section;

(B) ensure that any document issued to an individual under such a program, including any document attesting to the individual's authorization for employment and any document attesting to the deferral of action on any removal of that individual, has a notation that the individual was provided such document pursuant to such a program; and

(C) take all other appropriate actions to coordinate with the Secretary of the Treasury and the Commissioner of Social Security in carrying out section 32(m) of the Internal Revenue Code of 1986 and this paragraph.

(2) SOCIAL SECURITY ADMINISTRATION.—Section 205(c)(2) of the Social Security Act (42 U.S.C.

405(c)(2)) is amended by adding at the end the following new subparagraph:

"(I) The Commissioner of Social Security shall—

"(i) maintain a record of all social security account numbers described in section 32(m)(2)(B)(ii) of the Internal Revenue Code of 1986 and the names of the individuals to whom such numbers were issued;

"(ii) in any case in which a social security account number so described would be disclosed by the Commissioner to the Secretary of the Treasury or to the Commissioner of the Internal Revenue Service, identify such number as being so described; and

"(iii) take all other appropriate actions to coordinate with the Secretary of the Treasury and the Secretary of Homeland Security in carrying out section 32(m) of the Internal Revenue Code of 1986 and section 2(b)(1) of the Fairness for Americans in Internal Revenue Refunds Act.".

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to any return of tax, and any amendment or supplement to any return of tax, which is filed after the date of the enactment of this Act.

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