

114TH CONGRESS
1ST SESSION

H. R. 481

To amend the Internal Revenue Code of 1986 to allow the work opportunity credit for hiring the long-term unemployed.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 22, 2015

Mr. PASCRELL (for himself and Mr. REED) 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 the work opportunity credit for hiring the long-term unemployed.

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 “Long-Term Unem-
5 ployed Hiring Incentive Act”.

6 **SEC. 2. WORK OPPORTUNITY TAX CREDIT FOR LONG-TERM**
7 **UNEMPLOYED.**

8 (a) LONG-TERM UNEMPLOYED INDIVIDUALS ELIGI-
9 BLE.—

1 (1) IN GENERAL.—Section 51(d)(1) of the In-
2 ternal Revenue Code of 1986 is amended by striking
3 “or” at the end of subparagraph (H), by striking
4 the period at the end of subparagraph (I) and in-
5 serting “, or”, and by adding at the end the fol-
6 lowing new subparagraph:

7 “(J) a qualified long-term unemployed in-
8 dividual.”.

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

14 “(11) QUALIFIED LONG-TERM UNEMPLOYED
15 INDIVIDUAL.—

16 “(A) IN GENERAL.—The term ‘qualified
17 long-term unemployed individual’ means any in-
18 dividual who is certified by the designated local
19 agency as—

20 “(i) having exhausted, as of the hiring
21 date, all rights to regular compensation
22 under the State law or under Federal law
23 with respect to a benefit year (excluding
24 any benefit year that ended before May 1,
25 2007),

1 “(ii) having no rights to regular com-
2 pensation with respect to the most recent
3 week ending before the hiring date under
4 such law or any other State unemployment
5 compensation law or to compensation
6 under any other Federal law, and

7 “(iii) not receiving compensation with
8 respect to such week under the unemploy-
9 ment compensation law of Canada.

10 “(B) EXHAUSTION OF BENEFITS.—For
11 purposes of subparagraph (A), an individual
12 shall be deemed to have exhausted such individ-
13 ual’s rights to regular compensation under a
14 State law when—

15 “(i) no payments of regular com-
16 pensation can be made under such law be-
17 cause such individual has received all reg-
18 ular compensation available to such indi-
19 vidual based on employment or wages dur-
20 ing such individual’s base period, or

21 “(ii) such individual’s rights to such
22 compensation have been terminated by rea-
23 son of the expiration of the benefit year
24 with respect to which such rights existed.”.

1 (b) EXTENSION OF CREDIT FOR LONG-TERM UNEM-
2 PLOYED.—Subparagraph (B) of section 51(c)(4) of the In-
3 ternal Revenue Code of 1986 is amended by inserting
4 “(December 31, 2017, in the case of qualified long-term
5 unemployed individuals)” after “December 31, 2014”.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to individuals who begin work for
8 the employer after December 31, 2014.

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