

115TH CONGRESS
1ST SESSION

H. R. 2814

To amend the Internal Revenue Code of 1986 to impose a tax on employers whose employees receive certain Federal benefits.

IN THE HOUSE OF REPRESENTATIVES

JUNE 7, 2017

Mr. KHANNA (for himself, Ms. LEE, Mr. POCAN, Ms. NORTON, Ms. BARRAGÁN, Ms. JAYAPAL, Mr. RASKIN, Ms. KAPTUR, Ms. MOORE, and Mr. JOHNSON of Georgia) 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 impose a tax on employers whose employees receive certain Federal benefits.

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 “Corporate Responsi-
5 bility and Taxpayer Protection Act of 2017”.

1 **SEC. 2. TAX ON EMPLOYERS WITH EMPLOYEES RECEIVING**
 2 **CERTAIN FEDERAL BENEFITS.**

3 (a) IN GENERAL.—The Internal Revenue Code of
 4 1986 is amended by inserting after chapter 36 the fol-
 5 lowing new chapter:

6 **“CHAPTER 37—EMPLOYERS WITH EM-**
 7 **PLOYEES RECEIVING CERTAIN FED-**
 8 **ERAL BENEFITS**

9 **“SEC. 4501. EMPLOYERS WITH EMPLOYEES RECEIVING**
 10 **CERTAIN FEDERAL BENEFITS.**

11 “(a) IMPOSITION OF TAX.—There is hereby imposed
 12 on each large employer a tax equal to 100 percent of the
 13 qualified employee benefits with respect to such employer
 14 for the taxable year.

15 “(b) LARGE EMPLOYER.—

16 “(1) IN GENERAL.—For purposes of this sec-
 17 tion, the term ‘large employer’ means, with respect
 18 to a calendar year, an employer who employed an
 19 average of at least 500 full-time employees on busi-
 20 ness days during the preceding calendar year.

21 “(2) RULES FOR DETERMINING EMPLOYER
 22 SIZE.—For purposes of this subsection—

23 “(A) APPLICATION OF AGGREGATION RULE
 24 FOR EMPLOYERS.—All persons treated as a sin-
 25 gle employer under subsection (b), (c), (m), or

(o) of section 414 of the Internal Revenue Code of 1986 shall be treated as 1 employer.

“(B) FULL-TIME EQUIVALENTS TREATED AS FULL-TIME EMPLOYEES.—Solely for purposes of determining whether an employer is an applicable large employer under this paragraph, an employer shall, in addition to the number of full-time employees for any month otherwise determined, include for such month a number of full-time employees determined by dividing the aggregate number of hours of service of employees who are not full-time employees for the month by 120.

“(C) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a large employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

“(D) PREDECESSORS.—Any reference in this subsection to an employer shall include a reference to any predecessor of such employer.

1 “(c) QUALIFIED EMPLOYEE BENEFITS.—For pur-
2 poses of this section:

3 “(1) IN GENERAL.—The term ‘qualified em-
4 ployee benefits’ means, with respect to a person for
5 a taxable year, the sum the qualified Federal bene-
6 fits for which individuals who are employees of such
7 person for such taxable year.

8 “(2) QUALIFIED FEDERAL BENEFITS.—The
9 term ‘qualified Federal benefits’ means, with respect
10 to an individual, the following:

11 “(A) The dollar value of supplemental nu-
12 trition assistance for which the household (as
13 defined in section 3(m) of the Food and Nutri-
14 tion Act of 2008) that includes such individual
15 is eligible.

16 “(B) The dollar value of meals that such
17 individual or dependents of such individual are
18 eligible for under the school lunch program
19 under the Richard B. Russell National School
20 Lunch Act and the school breakfast program
21 under section 4 of the Child Nutrition Act of
22 1966.

23 “(C) The aggregate amount of the monthly
24 assistance payments for rental of a dwelling
25 unit that the household of such individual was

1 a member of is eligible to have made of its be-
2 half pursuant to section 8 of the United States
3 Housing Act of 1937.

4 “(D) The amount of payments made under
5 section 1903 of the Social Security Act with re-
6 spect to expenditures made by a State under a
7 State Medicaid plan under title XIX of such
8 Act (or a waiver of such plan) for medical as-
9 sistance for such individual or for dependents of
10 such individual.”.

11 (b) CLERICAL AMENDMENTS.—The table of chapters
12 for subtitle D of such Code is amended by inserting after
13 the item relating to chapter 36 the following new item:

“CHAPTER 37—EMPLOYERS WITH EMPLOYEES RECEIVING CERTAIN
FEDERAL BENEFITS”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this Act apply with respect to taxable years beginning
16 after December 31, 2017.

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