

116TH CONGRESS
2D SESSION

H. R. 6911

To provide a Federal income tax credit for State income taxes paid by individuals temporarily providing certain health or emergency services in the State, and to provide a corresponding reduction in Federal highway funds to the State.

IN THE HOUSE OF REPRESENTATIVES

MAY 15, 2020

Mr. POSEY introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide a Federal income tax credit for State income taxes paid by individuals temporarily providing certain health or emergency services in the State, and to provide a corresponding reduction in Federal highway funds to the State.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. CREDIT FOR STATE INCOME TAXES PAID BY IN-**
 2 **DIVIDUALS TEMPORARILY PROVIDING CER-**
 3 **TAIN HEALTH OR EMERGENCY SERVICES.**

4 (a) IN GENERAL.—Subpart C of part IV of sub-
 5 chapter A of chapter 1 of the Internal Revenue Code of
 6 1986 (relating to refundable credits) is amended by insert-
 7 ing after section 36B the following new section:

8 **“SEC. 36C. CREDIT FOR STATE INCOME TAXES PAID BY IN-**
 9 **DIVIDUALS TEMPORARILY PROVIDING CER-**
 10 **TAIN HEALTH OR EMERGENCY SERVICES.**

11 “(a) IN GENERAL.—In the case of an eligible indi-
 12 vidual, there shall be allowed as a credit against the tax
 13 imposed by this subtitle an amount equal to the income
 14 taxes imposed by a service-recipient State on the wages
 15 (as defined in section 3401) paid to such eligible individual
 16 for providing specified health or emergency services in
 17 such State on a temporary basis.

18 “(b) ELIGIBLE INDIVIDUAL.—For purposes of this
 19 section, the term ‘eligible individual’ means any individual
 20 legally domiciled in a State who provides specified health
 21 or emergency services in another State on a temporary
 22 basis.

23 “(c) SPECIFIED HEALTH OR EMERGENCY SERV-
 24 ICES.—For purposes of this section, the term ‘specified
 25 health or emergency services’ means service as a first re-
 26 sponder, doctor, nurse, or such other health or emergency

1 service as may be specified by the Secretary for purposes
2 of this section.

3 “(d) SERVICE-RECIPIENT STATE.—For purposes of
4 this section, the term ‘service-recipient State’ means the
5 State referred to in subsection (b) in which the eligible
6 individual provides specified health or emergency services
7 on a temporary basis.

8 “(e) DETERMINATION OF TAX.—The amount of the
9 income tax referred to in subsection (a) shall be equal to
10 the excess (if any) of—

11 “(1) the amount of income taxes imposed by
12 the service-recipient State on the income of such eli-
13 gible individual, over

14 “(2) the amount of such income taxes which
15 would be imposed without regard to the wages re-
16 ferred to in subsection (a).

17 “(f) TERMINATION.—Subsection (a) shall not apply
18 with respect to wages paid for services which are provided
19 after the date on which the Secretary certifies that the
20 COVID-19 emergency has concluded.”.

21 (b) CORRESPONDING REDUCTION IN FEDERAL
22 HIGHWAY FUNDS PAID TO SERVICE-RECIPIENT
23 STATES.—The amount made available by the Federal
24 Government as Federal highway funds to any service-re-
25 cipient State (as defined in section 36C(d) of the Internal

1 Revenue Code of 1986) shall be reduced by the aggregate
 2 amount of credits (as estimated by the Secretary of the
 3 Treasury) allowed under section 36C of the Internal Rev-
 4 enue Code of 1986 with respect to income taxes imposed
 5 by such State.

6 (c) CONFORMING AMENDMENTS.—

7 (1) Section 6211(b)(4)(A) of such Code is
 8 amended by inserting “36C,” after “36B,”.

9 (2) Section 1324(b)(2) of title 31, United
 10 States Code, is amended by inserting “36C,” after
 11 “36B,”.

12 (3) The table of sections for subpart C of part
 13 IV of subchapter A of chapter 1 of the Internal Rev-
 14 enue Code of 1986 is amended by inserting after the
 15 item relating to section 36B the following new item:

“Sec. 36C. Credit for State income taxes paid by individuals temporarily pro-
 viding certain health or emergency services.”.

16 (d) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to wages paid for services provided
 18 after March 16, 2020.

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