

116TH CONGRESS
2D SESSION

H. R. 9017

To temporarily allow a deduction for the trade or business expenses of employees.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 17, 2020

Mr. MORELLE introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To temporarily allow a deduction for the trade or business expenses of employees.

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 “Home Office Deduc-
5 tion Act of 2020”.

6 **SEC. 2. TEMPORARY DEDUCTION FOR TRADE OR BUSINESS**
7 **EXPENSES OF EMPLOYEES.**

8 (a) IN GENERAL.—For purposes of the Internal Rev-
9 enue Code of 1986—

1 (1) the qualified employee trade or business de-
2 ductions of any taxpayer for any taxable year shall
3 not be treated as itemized deductions, and

4 (2) in the case of an taxpayer who does not
5 elect to itemize such taxpayer's deductions for any
6 taxable year, the taxable income of such taxpayer for
7 such taxable shall be reduced by the qualified em-
8 ployee trade or business deductions of such taxpayer
9 for such taxable year.

10 (b) QUALIFIED EMPLOYEE TRADE OR BUSINESS DE-
11 DUCTIONS.—For purposes of this section—

12 (1) IN GENERAL.—The term “qualified em-
13 ployee trade or business deductions” means so much
14 of the taxpayer's employee trade or business deduc-
15 tions for the taxable year as exceed 2 percent the
16 taxpayer's adjusted gross income (as defined in sec-
17 tion 62 of the Internal Revenue Code of 1986) for
18 such taxable year.

19 (2) EMPLOYEE TRADE OR BUSINESS DEDUC-
20 TIONS.—The term “employee trade or business de-
21 ductions” means so much of the deductions allowed
22 by section 162 of the Internal Revenue Code of 1986
23 (determined without regard to section 67(g) of such
24 Code) as are attributable to amounts paid or in-
25 curred—

1 (A) in the trade or business of being an
 2 employee, and

3 (B) during the period beginning on March
 4 13, 2020, and ending on December 31, 2020.

5 (c) PHASE-OUT BASED ON MODIFIED ADJUSTED
 6 GROSS INCOME.—

7 (1) IN GENERAL.—In the case of any taxpayer
 8 for any taxable year, the amount of qualified em-
 9 ployee trade or business deductions taken into ac-
 10 count under subsection (a) (determined without re-
 11 gard to this subsection) shall be reduced (but not
 12 below zero) by the amount which bears the same
 13 ratio to the amount of such deductions (as so deter-
 14 mined) as—

15 (A) the excess of—

16 (i) the taxpayer’s modified adjusted
 17 gross income for such taxable year, over

18 (ii) \$200,000 (\$400,000 in the case of
 19 a joint return), bears to

20 (B) \$50,000 (\$100,000 in the case of a
 21 joint return).

22 (2) MODIFIED ADJUSTED GROSS INCOME.—For
 23 purposes of this subsection, the term “modified ad-
 24 justed gross income” means the adjusted gross in-
 25 come of the taxpayer (as defined in section 62 of the

1 Internal Revenue Code of 1986) for the taxable year
2 increased by any amount excluded from gross in-
3 come under sections 911, 931, and 933 of such
4 Code.

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