

119TH CONGRESS
2^D SESSION

S. 4580

To amend the Internal Revenue Code of 1986 to provide that overtime pay provided to certain border patrol agents is qualified overtime compensation.

IN THE SENATE OF THE UNITED STATES

MAY 20, 2026

Mr. CORNYN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide that overtime pay provided to certain border patrol agents is qualified overtime compensation.

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 “No Tax on Border
5 Patrol Agent Overtime Act”.

6 **SEC. 2. QUALIFIED OVERTIME COMPENSATION FOR BOR-**
7 **DER PATROL AGENTS.**

8 (a) IN GENERAL.—Section 225(c)(1) of the Internal
9 Revenue Code of 1986 is amended to read as follows:

1 “(1) IN GENERAL.—For purposes of this sec-
2 tion, the term ‘qualified overtime compensation’
3 means—

4 “(A) overtime compensation paid to an in-
5 dividual required under section 7 of the Fair
6 Labor Standards Act of 1938 that is in excess
7 of the regular rate (as used in such section) at
8 which such individual is employed, or

9 “(B) amounts paid to a border patrol
10 agent (as defined in subsection (a) of section
11 5550 of title 5, United States Code), other than
12 the hazardous duty pay payable under sub-
13 section (c)(3) of such section, that are in excess
14 of the rate of basic pay that would be in effect
15 for such border patrol agent if the rate of basic
16 pay of such border patrol agent were deter-
17 mined without regard to such section, includ-
18 ing—

19 “(i) the supplemental pay described in
20 subsection (b)(2) of such section,

21 “(ii) the supplemental pay described
22 in subsection (b)(3) of such section,

23 “(iii) premium pay payable under sub-
24 section (c)(1) of such section, and

1 “(iv) pay for overtime work payable
2 under section 5542(g) of such title.”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 this section shall apply to taxable years beginning after
5 December 31, 2025.

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