

116TH CONGRESS
2D SESSION

H. R. 6290

To provide economic stimulus through advanced refundable tax credits to all individuals during the COVID–19 crisis, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 2020

Ms. OMAR (for herself and Ms. NORTON) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide economic stimulus through advanced refundable tax credits to all individuals during the COVID–19 crisis, and for other purposes.

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 “Reinvestment to En-
5 sure a Livable Income for Every Family Act of 2020” or
6 the “RELIEF Act of 2020”.

7 **SEC. 2. SENSE OF CONGRESS.**

8 It is the sense of Congress that—

9 (1) COVID–19 has contributed to major dis-
10 ruptions to the United States society and economy,

1 putting the health and financial well-being of many
2 Americans at risk;

3 (2) direct economic stimulus such as advanced
4 refundable tax credits, referred to as universal emer-
5 gency rebates in this Act, can help bring much need-
6 ed relief to people who need short-term payments
7 now in order to get by during this crisis;

8 (3) these direct payments should supplement
9 the immediate, substantial expansion of existing so-
10 cial insurance programs including but not limited to
11 unemployment insurance, supplemental nutrition as-
12 sistance program, Medicaid, as well as relief for
13 small businesses and other emergency economic
14 measures;

15 (4) as soon as possible and not later than two
16 weeks after the date of the enactment of this Act,
17 the Secretary of the Treasury, in consultation with
18 the Commissioner of the Social Security Administra-
19 tion and the Commissioner of the Internal Revenue
20 Service, must establish a program for sending direct
21 emergency rebates, in the form of electronic and
22 paper payments, on a monthly basis, for every indi-
23 vidual residing in the United States and its terri-
24 tories;

1 (5) every qualifying adult over the age of 18
 2 would receive \$1,000 and every qualifying dependent
 3 child under the age of 18 would receive \$500;

4 (6) only the top 1 percent of income earners
 5 would have post taxes on these benefits in the next
 6 filing season and the rest of Americans would not
 7 face any tax penalties or extra costs, and so would
 8 be held harmless for any overpayments or other de-
 9 livery errors; and

10 (7) these advanced refundable tax credits would
 11 be transferred every month until the COVID–19
 12 pandemic is formally declared and certified as ended
 13 from the Secretary of the Treasury and the Sec-
 14 retary of Health and Human Services.

15 **SEC. 3. ESTABLISHMENT OF 2020 UNIVERSAL EMERGENCY**
 16 **REBATES FOR INDIVIDUALS.**

17 (a) IN GENERAL.—Section 6429 of the Internal Rev-
 18 enue Code of 1986 is amended to read as follows:

19 **“SEC. 6429. 2020 UNIVERSAL REBATES FOR INDIVIDUALS.**

20 “(a) IN GENERAL.—In the case of an eligible tax-
 21 payer, there shall be allowed as a credit against tax im-
 22 posed by subtitle A for the first taxable year beginning
 23 in 2020 an amount equal to the lesser of—

24 “(1) net income tax liability, or

1 “(2) \$1,000 (\$2,000 in the case of a joint re-
2 turn).

3 “(b) SPECIAL RULES.—

4 “(1) IN GENERAL.—In the case of an eligible
5 taxpayer described in paragraph (2)—

6 “(A) the amount determined under sub-
7 section (a) shall not be less than \$1,000
8 (\$2,000 in the case of a joint return), and

9 “(B) the amount determined under sub-
10 section (a) (after application of subparagraph
11 (A)) shall be increased by the product of \$500
12 multiplied by the number of qualifying children
13 (within the meaning of section 24(c)) of the
14 taxpayer.

15 “(2) ELIGIBLE TAXPAYER DESCRIBED.—A tax-
16 payer is described in this paragraph if the tax-
17 payer—

18 “(A) is at least 18 years of age as of De-
19 cember 31, 2020,

20 “(B) is a resident of the United States, or

21 “(C) is not a dependent of another tax-
22 payer.

23 “(c) TREATMENT OF CREDIT.—The credit allowed by
24 subsection (a) shall be treated as allowed by subpart C
25 of part IV of subchapter A of chapter 1.

1 “(d) COORDINATION WITH ADVANCE REFUNDS OF
2 CREDIT.—

3 “(1) IN GENERAL.—The amount of credit
4 which would (but for this paragraph) be allowable
5 under this section shall be reduced (but not below
6 zero) by the aggregate refunds and credits made or
7 allowed to the taxpayer under subsection (g). Any
8 failure to so reduce the credit shall be treated as
9 arising out of a mathematical or clerical error and
10 assessed according to section 6213(b)(1). Taxpayers
11 would be held harmless.

12 “(2) JOINT RETURNS.—In the case of a refund
13 or credit made or allowed under subsection (g) with
14 respect to a joint return, half of such refund or cred-
15 it shall be treated as having been made or allowed
16 to each individual filing such return.

17 “(e) ADVANCE REFUNDS AND CREDITS.—

18 “(1) IN GENERAL.—Each individual who was
19 an eligible individual for such individual’s first tax-
20 able year beginning in 2019 shall be treated as hav-
21 ing made a payment against the tax imposed by
22 chapter 1 for such first taxable year in an amount
23 equal to the advance refund amount for such taxable
24 year.

1 “(2) ADVANCE REFUND AMOUNT.—For pur-
2 poses of paragraph (1), the advance refund amount
3 is the amount that would have been allowed as a
4 credit under this section for such first taxable year
5 if this section (other than subsection (f) and this
6 subsection) had applied to such taxable year.

7 “(3) TIMING OF PAYMENTS.—The Secretary
8 shall, subject to the provisions of this title, refund
9 or credit any overpayment attributable to this sec-
10 tion as rapidly as possible on a monthly basis and
11 a pro rata amount for partial universal emergency
12 rebate period in the first month of the implementa-
13 tion of this Act. No refund or credit shall be made
14 or allowed under this subsection after the COVID–
15 19 outbreak is over, as declared by the Secretary of
16 the Treasury and the Secretary of Health and
17 Human Services lifting designations of national eco-
18 nomic turmoil and public health emergency, respec-
19 tively.

20 “(4) PRO RATA AMOUNTS.—The pro rata
21 amount for each partial universal emergency rebate
22 period shall be calculated by multiplying the monthly
23 amount for a full universal emergency rebate that
24 would be paid to the beneficiary based on household
25 size for such a period by the percentage calculated

1 by dividing the number of days of the partial uni-
2 versal emergency rebate period by the number of
3 days of the month.

4 “(5) CONGRESSIONAL EXTENSION OF PAY-
5 MENTS.—The last cycle of payments will come up in
6 the following quarter after the COVID–19 pandemic
7 is certified to be over by the Secretary of the Treas-
8 ury and the Secretary of Health and Human Serv-
9 ices. Congress will have until such quarter is done
10 to reexamine and decide if there is still further eco-
11 nomic need to extend these payments.

12 “(6) NO INTEREST.—No interest shall be al-
13 lowed on any overpayment attributable to this sec-
14 tion.”.

15 (b) TREATMENT OF POSSESSIONS.—

16 (1) PAYMENT TO POSSESSIONS.—

17 (A) MIRROR CODE POSSESSION.—The Sec-
18 retary of Treasury shall make a payment to
19 each possession of the United States with a
20 mirror code tax system in an amount equal to
21 the loss to that possession. Such amount shall
22 be determined by the information provided by
23 the Government of the respective possession.

24 (B) OTHER POSSESSIONS.—The Secretary
25 of Treasury shall make a payment to each pos-

1 session of the United States which does not
2 have a mirror code tax system in an amount es-
3 timated by the Secretary of the Treasury as
4 being equal to the aggregate benefits that would
5 have been provided to residents of such posses-
6 sion if a mirror code tax system had been in ef-
7 fect in such possession. The preceding sentence
8 shall not apply with respect to any possession
9 of the United States unless such possession has
10 a plan, which has been approved by the Sec-
11 retary of the Treasury, under which such pos-
12 session will promptly distribute such payment
13 to the residents of such possession.

14 (2) COORDINATION WITH CREDIT ALLOWED
15 AGAINST UNITED STATES INCOME TAXES.—No cred-
16 it shall be allowed against United States income
17 taxes under section 6428 of the Internal Revenue
18 Code of 1986 (as amended by this section) to any
19 person—

20 (A) to whom a credit is allowed against
21 taxes imposed by the possession by reason of
22 the amendments made by this section; or

23 (B) who is eligible for payment under a
24 plan described in paragraph (1)(B).

25 (3) DEFINITIONS AND SPECIAL RULES.—

1 (A) POSSESSION OF THE UNITED
2 STATES.—For purposes of this subsection, the
3 term “possession of the United States” includes
4 the Commonwealth of Puerto Rico and the
5 Commonwealth of the North Mariana Islands.

6 (B) MIRROR CODE TAX SYSTEM.—For pur-
7 poses of this subsection, the term “mirror code
8 system” means, with respect to any possession
9 in the United States, the income tax system of
10 such possession if the income tax liability of the
11 residents of such possession under such system
12 is determined by reference to the income tax
13 laws of the United States as if such possession
14 were the United States.

15 (C) TREATMENT OF PAYMENTS.—For pur-
16 poses of section 1324(b)(2) of title 31, United
17 States Code, the payments under this sub-
18 section shall be treated in the same manner as
19 a refund due from the credit allowed under sec-
20 tion 6428 of the Internal Revenue Code of 1986
21 (as amended by this section).

22 (c) REFUNDS DISREGARDED IN THE ADMINISTRA-
23 TION OF FEDERAL PROGRAMS AND FEDERALLY AS-
24 SISTED PROGRAMS.—Any credit or refund allowed or
25 made to any individual by reason of section 6248 of the

1 Internal Revenue Code of 1986 (as amended by this sec-
2 tion) or by reason of subsection (c) of this section shall
3 not be taken into account as resources for the enacted
4 month and the following months until funds are formally
5 halted by decree from the Departments of the Treasury
6 and the Health and Human Services, for purposes of de-
7 termining eligibility of such individual or any other indi-
8 vidual for benefits or assistance, under any Federal pro-
9 gram or under any State or local program financed in
10 whole or in part with Federal funds.

11 (d) APPROPRIATIONS TO CARRY OUT REBATES.—

12 (1) IN GENERAL.—Immediately upon the enact-
13 ment of this Act, the following sums are appro-
14 priated, out of any money in the Treasury not other-
15 wise appropriated, for the fiscal year ending Sep-
16 tember 30, 2020.

17 (A) DEPARTMENT OF THE TREASURY.—

18 (i) For an additional amount for “De-
19 partment of the Treasury—Financial Man-
20 agement Service—Salaries and Expenses”,
21 \$76,370,000, to remain available until
22 September 30, 2021.

23 (ii) For an additional amount for
24 “Department of the Treasury—Internal
25 Revenue Service—Operations Support”,

1 \$180,185,000, to remain available until
2 September 30, 2021.

3 (iii) For an additional amount for
4 “Department of the Treasury—Internal
5 Revenue Service—Taxpayer Services”,
6 \$65,300,000, to remain available until
7 September 30, 2021.

8 (B) SOCIAL SECURITY ADMINISTRATION.—
9 For an additional amount for “Social Security
10 Administration—Limitation on Administrative
11 Expenses”, \$39,000,000, to remain available
12 until September 30, 2021.

13 (2) REPORTS.—No later than 15 days after en-
14 actment of this Act, the Secretary of the Treasury
15 shall submit a plan to the Committees on Appropria-
16 tions of the House of Representatives and the Sen-
17 ate detailing the expected use of the funds provided
18 by paragraph (1)(A). Beginning 90 days after enact-
19 ment of this Act, the Secretary of the Treasury shall
20 submit a quarterly report to the Committees on Ap-
21 propriations of the House of Representatives and the
22 Senate detailing the actual expenditure of funds pro-
23 vided in paragraph (1)(A) and the expected expendi-
24 ture of such funds in the subsequent quarter.

1 **SEC. 4. ADDITIONAL APPLICATION PROCESSES.**

2 The Secretary of the Treasury shall establish an ex-
3 pedited process by which individuals may provide nec-
4 essary information to apply for and streamline access to
5 temporary payments for universal emergency rebates out-
6 side the annual tax return process utilizing—

7 (1) information from the beneficiary’s most re-
8 cent tax return if the beneficiary has filed previously
9 and such return is for 2018 or 2019; and

10 (2) any additional or alternative information
11 submission deemed necessary by the Secretary of the
12 Treasury to facilitate application and prompt deliv-
13 ery of the universal emergency rebates.

14 **SEC. 5. TREATMENT OF UNIVERSAL EMERGENCY REBATES**
15 **FOR INCOME TAX PURPOSES.**

16 Notwithstanding any other provision of law, no
17 amount received as a universal emergency rebate shall be
18 treated as income for the purpose of calculating Federal,
19 State, or local tax liability.

20 **SEC. 6. POST-TAXES ON HIGH-INCOME EARNERS.**

21 (a) IN GENERAL.—There is hereby imposed a tax on
22 2020 Universal Emergency Rebates for top income earn-
23 ers for tax year 2020 equal to 100 percent of the applica-
24 ble amount.

25 (1) APPLICABLE AMOUNT.—The term “applica-
26 ble amount” shall be lesser of—

1 (A) the amount paid to a taxpayer under
2 section 3; or

3 (B) 5 percent of the amount by which the
4 taxpayer's adjusted gross income exceeds the
5 threshold amount.

6 (2) THRESHOLD AMOUNT.—The term “thresh-
7 old amount” shall be—

8 (A) \$500,000 in the case of a taxpayer
9 making a joint return under section 6103 or a
10 surviving spouse (as defined in section 2(a)); or

11 (B) \$250,000 in the case of a married tax-
12 payer (as defined in section 7703) filing a sepa-
13 rate return 1/2 the dollar amount under (a).

14 (b) TAX MECHANISM.—The Secretary of the Treas-
15 ury, in consultation with the Commissioner of the Internal
16 Revenue Service, shall establish a system to record, collect,
17 and notify top 1-percent income earners of taxes needing
18 to be paid on their emergency rebates.

19 **SEC. 7. REPORTS REGARDING LONG-TERM ECONOMIC RE-**
20 **SILIENCY TOOLS.**

21 Not later than 365 days after the date of enactment
22 of this Act, and annually thereafter, the Director of the
23 Congressional Budget Office, in consultation with the Sec-
24 retary of Treasury and Chair of the Federal Reserve, shall
25 submit to Congress a report on how the United States

1 Government could establish and implement alternative fis-
2 cal stimulus and economic stabilization policies, such as
3 guaranteed income, to improve readiness for future ex-
4 treme downturn caused by depressions, pandemics, and
5 climate change catastrophes.

