

116TH CONGRESS  
2D SESSION

# H. R. 6920

To temporarily suspend payroll taxes during the emergency relating to  
COVID–19.

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IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2020

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

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## A BILL

To temporarily suspend payroll taxes during the emergency  
relating to COVID–19.

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 “Keep Employees’  
5       Earnings Protected Act of 2020”.

6       **SEC. 2. TEMPORARY SUSPENSION OF PAYROLL TAXES.**

7       (a) IN GENERAL.—Notwithstanding any other provi-  
8       sion of law—

9               (1) with respect to any taxable year which be-  
10       gins in the payroll tax suspension period, the rate of

1 tax under section 1401(a) of the Internal Revenue  
2 Code of 1986 shall be 0 percent,

3 (2) with respect to remuneration received for  
4 pay periods ending during the payroll tax suspension  
5 period, the rate of tax under 3101(a) of such Code  
6 shall be 0 percent (including for purposes of deter-  
7 mining the applicable percentage under sections  
8 3201(a) and 3211(a)(1) of such Code), and

9 (3) with respect to remuneration paid for pay  
10 periods ending during the payroll tax suspension pe-  
11 riod, the rate of tax under section 3111(a) of such  
12 Code shall be 0 percent (including for purposes of  
13 determining the applicable percentage under section  
14 3221(a) of such Code).

15 (b) PAYROLL TAX SUSPENSION PERIOD.—The term  
16 “payroll tax suspension period” means the period begin-  
17 ning on the date of the enactment of this Act and ending  
18 either—

19 (1) 90 days later, or

20 (2) with the termination of the emergency in-  
21 volving Federal primary responsibility determined to  
22 exist by the President under the section 501(b) of  
23 the Robert T. Stafford Disaster Relief and Emer-  
24 gency Assistance Act (42 U.S.C. 5191(b)) with re-  
25 spect to the Coronavirus Disease 2019 (COVID–19),

1   whichever is shorter.

2           (c) EMPLOYER NOTIFICATION.—The Secretary of the  
3   Treasury (or the Secretary’s delegate) shall notify employ-  
4   ers of the payroll tax suspension period in any manner  
5   the Secretary (or the Secretary’s delegate) deems appro-  
6   priate.

7           (d) TRANSFERS OF FUNDS.—

8               (1) TRANSFERS TO FEDERAL OLD-AGE AND  
9               SURVIVORS INSURANCE TRUST FUND.—There are  
10              hereby appropriated to the Federal Old-Age and  
11              Survivors Trust Fund and the Federal Disability In-  
12              surance Trust Fund established under section 201  
13              of the Social Security Act (42 U.S.C. 401) amounts  
14              equal to the reduction in revenues to the Treasury  
15              by reason of the application of subsection (a).  
16              Amounts appropriated by the preceding sentence  
17              shall be transferred from the general fund at such  
18              times and in such manner as to replicate to the ex-  
19              tent possible the transfers which would have oc-  
20              curred to such Trust Fund had such amendments  
21              not been enacted.

22               (2) TRANSFERS TO SOCIAL SECURITY EQUIVA-  
23               LENT BENEFIT ACCOUNT.— There are hereby appro-  
24              priated to the Social Security Equivalent Benefit Ac-  
25              count established under section 15A(a) of the Rail-

1 road Retirement Act of 1974 (45 U.S.C. 231n–1(a))  
2 amounts equal to the reduction in revenues to the  
3 Treasury by reason of the application of subsection  
4 (a). Amounts appropriated by the preceding sentence  
5 shall be transferred from the general fund at such  
6 times and in such manner as to replicate to the ex-  
7 tent possible the transfers which would have oc-  
8 curred to such Account had such amendments not  
9 been enacted.

10 (3) COORDINATION WITH OTHER FEDERAL  
11 LAWS.—For purposes of applying any provision of  
12 Federal law other than the provisions of the Internal  
13 Revenue Code of 1986, the rate of tax in effect  
14 under section 3101(a) of such Code shall be deter-  
15 mined without regard to the reduction in such rate  
16 under this section.

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