

116TH CONGRESS
2D SESSION

H. R. 8201

To provide a temporary employee payroll tax holiday.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 11, 2020

Mr. BRADY (for himself, Mr. MARCHANT, Mr. SCALISE, Mr. REED, Mr. STEUBE, Mr. FLORES, Mr. KUSTOFF of Tennessee, Mr. RICE of South Carolina, Mr. KEVIN HERN of Oklahoma, Mr. WENSTRUP, Mr. ARRINGTON, Mrs. MILLER, Mr. LAMALFA, Mr. ESTES, Mr. SMUCKER, Mr. SMITH of Nebraska, Mr. MARSHALL, and Mr. OLSON) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide a temporary employee payroll tax holiday.

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 “Support for Workers,
5 Families, and Social Security Act”.

6 **SEC. 2. TEMPORARY EMPLOYEE PAYROLL TAX HOLIDAY.**

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

9 (1) with respect to any taxable year which in-
10 cludes any portion of the payroll tax holiday period,

1 the rate of tax under section 1401(a) of the Internal
2 Revenue Code of 1986 shall be reduced by the appli-
3 cable number of percentage points determined under
4 subsection (d), and

5 (2) with respect to remuneration received dur-
6 ing the payroll tax holiday period, the rate of tax
7 under 3101(a) of such Code shall be 0 percent (in-
8 cluding for purposes of determining the applicable
9 percentage under sections 3201(a) and 3211(a)(1)
10 of such Code).

11 (b) COORDINATION WITH DEDUCTIONS FOR EM-
12 PLOYMENT TAXES.—

13 (1) DEDUCTION IN COMPUTING NET EARNINGS
14 FROM SELF-EMPLOYMENT.—For purposes of apply-
15 ing section 1402(a)(12) of the Internal Revenue
16 Code of 1986, the rate of tax imposed by section
17 1401(a) of such Code shall be determined without
18 regard to the reduction in such rate under this sec-
19 tion.

20 (2) INDIVIDUAL DEDUCTION.—For purposes of
21 determining the deduction allowed under section
22 164(f) of the Internal Revenue Code of 1986, the
23 taxes imposed under section 1401 of such Code shall
24 be treated as being equal to the amount of such

1 taxes determined without regard to the reduction in
2 the rate of tax provided under subsection (a)(1).

3 (c) PAYROLL TAX HOLIDAY PERIOD.—For purposes
4 of this section, the term “payroll tax holiday period”
5 means the period beginning on September 1, 2020, and
6 ending on December 31, 2020.

7 (d) APPLICABLE NUMBER OF PERCENTAGE
8 POINTS.—

9 (1) IN GENERAL.—For purposes of subsection
10 (a)(1), the applicable number of percentage points
11 with respect to any individual for any taxable year
12 is the number of percentage points that bears the
13 same ratio to 6.2 percent as—

14 (A) the number of days of the payroll tax
15 holiday period which are in such taxable year,
16 bears to

17 (B) the number of days in such taxable
18 year.

19 (2) PHASEOUT BASED ON SELF-EMPLOYMENT
20 INCOME.—In the case of any individual whose self-
21 employment income for any taxable year exceeds an
22 amount equal to the contribution and benefit base
23 for calendar year 2020 (as determined under section
24 230 of the Social Security Act), the applicable num-
25 ber of percentage points with respect to such indi-

1 vidual for such taxable year (determined without re-
2 gard to this paragraph) shall be reduced by an
3 amount which bears the same ratio to such applica-
4 ble number of percentage points as—

5 (A) such excess, bears to

6 (B) \$68,850.

7 (e) EMPLOYER NOTIFICATION.—The Secretary of the
8 Treasury shall notify employers of the payroll tax holiday
9 period in any manner the Secretary deems appropriate.

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

16 **SEC. 3. PROTECTION OF SOCIAL SECURITY TRUST FUNDS.**

17 (a) TRANSFERS TO FEDERAL OLD-AGE AND SUR-
18 VIVORS INSURANCE TRUST FUND.—There are hereby ap-
19 propriated to the Federal Old-Age and Survivors Trust
20 Fund and the Federal Disability Insurance Trust Fund
21 established under section 201 of the Social Security Act
22 (42 U.S.C. 401) amounts equal to the reduction in reve-
23 nues to the Treasury by reason of the application of sec-
24 tion 2(a). Amounts appropriated by the preceding sen-
25 tence shall be transferred from the general fund at such

1 times and in such manner as to replicate to the extent
2 possible the transfers which would have occurred to such
3 Trust Fund had such amendments not been enacted.

4 (b) TRANSFERS TO SOCIAL SECURITY EQUIVALENT
5 BENEFIT ACCOUNT.—There are hereby appropriated to
6 the Social Security Equivalent Benefit Account estab-
7 lished under section 15A(a) of the Railroad Retirement
8 Act of 1974 (45 U.S.C. 231n–1(a)) amounts equal to the
9 reduction in revenues to the Treasury by reason of the
10 application of section 2(a)(2). Amounts appropriated by
11 the preceding sentence shall be transferred from the gen-
12 eral fund at such times and in such manner as to replicate
13 to the extent possible the transfers which would have oc-
14 curred to such Account had such amendments not been
15 enacted.

16 **SEC. 4. NO EFFECT ON SOCIAL SECURITY BENEFITS.**

17 Nothing in this Act shall have any effect on the deter-
18 mination of any benefit under title II of the Social Secu-
19 rity Act.

○