

**[DISCUSSION DRAFT]**

MARCH 14, 2016

114TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to provide a work opportunity tax credit for the older long-term unemployed recipient, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mrs. WATSON COLEMAN introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Internal Revenue Code of 1986 to provide a work opportunity tax credit for the older long-term unemployed recipient, 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 “\_\_\_\_\_ Act  
5 of 2016”.

1 **SEC. 2. EXTENSION AND MODIFICATION OF WORK OPPOR-**  
2 **TUNITY TAX CREDIT.**

3 (a) CREDIT MADE PERMANENT.—Section 51(c) of  
4 the Internal Revenue Code of 1986 is amended by striking  
5 paragraph (4) and redesignating paragraph (5) as para-  
6 graph (4).

7 (b) CREDIT FOR HIRING OLDER LONG-TERM UNEM-  
8 PLOYMENT RECIPIENTS.—

9 (1) IN GENERAL.—Section 51(d)(1) of such  
10 Code is amended by striking “or” at the end of sub-  
11 paragraph (H), by striking the period at the end of  
12 subparagraph (I) and inserting “, or”, and by add-  
13 ing at the end the following new subparagraph:

14 “(J) a qualified older long-term unemploy-  
15 ment recipient.”.

16 (2) QUALIFIED OLDER LONG-TERM UNEMPLOY-  
17 MENT RECIPIENT.—Section 51(d) of such Code is  
18 amended by adding at the end the following new  
19 paragraph:

20 “(15) QUALIFIED OLDER LONG-TERM UNEM-  
21 PLOYMENT RECIPIENT.—The term ‘qualified older  
22 long-term unemployment recipient’ means any indi-  
23 vidual who is certified by the designated local agen-  
24 cy—

25 “(A) has having attained age 55 on the  
26 hiring date, and

1           “(B) as being a qualified long-term unem-  
2           ployment recipient.”.

3           (3) LIMITATION ON WAGES TAKEN INTO AC-  
4           COUNT.—Section 51(b)(3) of such Code is amend-  
5           ed—

6           (A) by striking “subsection (d)(3)(A)(iv),  
7           and” and inserting “subsection (d)(3)(A)(iv),”,  
8           and

9           (B) by striking “subsection  
10           (d)(3)(A)(ii)(II)” and inserting “subsection  
11           (d)(3)(A)(ii)(II), and \$14,000 in the case of  
12           any individual who is a qualified older long-  
13           term unemployment recipient by reason of sub-  
14           section (d)(15))”.

15           (4) INFLATION ADJUSTMENT.—Section 51(b) of  
16           such Code is amended by adding at the end the fol-  
17           lowing:

18           “(4) ADJUSTMENT FOR INFLATION.—In the  
19           case of any taxable year beginning after 2016, the  
20           \$14,000 dollar amount contained in paragraph (3)  
21           relating to qualified older long-term unemployment  
22           recipients shall be increased by an amount equal to  
23           the product of—

24           “(A) such dollar amount, and

1           “(B) the cost of living adjustment deter-  
2           mined under section 1(f)(3) for the calendar  
3           year in which the taxable year begins deter-  
4           mined by substituting ‘calendar year 2015’ for  
5           ‘calendar year 1992’ in subparagraph (B)  
6           thereof.

7           If any increase determined under the preceding sen-  
8           tence is not a multiple of \$50, such increase shall  
9           be rounded to the next lowest multiple of \$50.”.  
10          **【Note: inflation adjustment only for wages relating**  
11          **to older long-term unemployment recipients. Pol-**  
12          **icy?】**

13          (c) EFFECTIVE DATE.—The amendments made by  
14          this section shall apply to individuals who begin work for  
15          the employer after December 31, 2015.