

AMENDMENT

OFFERED BY MR. RICE OF SOUTH CAROLINA

At the appropriate place, insert the following:

1 **SEC. ____ . HEALTHY WORKPLACE PAYROLL TAX CREDIT.**

2 (a) IN GENERAL.—In the case of an employer, there
3 shall be allowed as a credit against applicable employment
4 taxes for each calendar quarter an amount equal to 50
5 percent of the sum of—

6 (1) the qualified employee protection expenses
7 paid or incurred by the employer during such cal-
8 endar quarter,

9 (2) the qualified workplace reconfiguration ex-
10 penses paid or incurred by the employer during such
11 calendar quarter, and

12 (3) the qualified education and training ex-
13 penses paid or incurred by the employer during such
14 calendar quarter.

15 (b) LIMITATIONS AND REFUNDABILITY.—

16 (1) OVERALL DOLLAR LIMITATION ON CRED-
17 IT.—

18 (A) IN GENERAL.—The amount of the
19 credit allowed under subsection (a) with respect

1 to any employer for any calendar quarter shall
2 not exceed the excess (if any) of—

3 (i) the applicable dollar limit with re-
4 spect to such employer for such calendar
5 quarter, over

6 (ii) the aggregate credits allowed
7 under subsection (a) with respect to such
8 employer for all preceding calendar quar-
9 ters.

10 (B) APPLICABLE DOLLAR LIMIT.—

11 (i) IN GENERAL.—The term “applica-
12 ble dollar limit” means, with respect to any
13 employer for any calendar quarter, the
14 sum of—

15 (I) \$1,000, multiplied by so much
16 of the average number of full-time
17 employees employed by such employer
18 during such calendar quarter as does
19 not exceed 500, plus

20 (II) \$750, multiplied by so much
21 of such average number of full-time
22 employees as exceeds 500 but does
23 not exceed 1,000, plus

24 (III) \$500, multiplied by so much
25 of such average number of full-time

1 employees as exceeds 1,000 but does
2 not exceed 2,500, plus

3 (IV) \$250, multiplied by so much
4 of such average number of full-time
5 employees as exceeds 2,500 but does
6 not exceed 5,000, plus

7 (V) \$50, multiplied by so much
8 of such average number of full-time
9 employees as exceeds 5,000.

10 (ii) AVERAGE NUMBER OF FULL-TIME
11 EMPLOYEES.—For purposes of this sub-
12 section, the average number of full time
13 employees shall be determined in the same
14 manner as such number is determined for
15 purposes of determining whether an em-
16 ployer is an applicable large employer for
17 purposes of section 4980H(c)(2) of the In-
18 ternal Revenue Code of 1986, except
19 that—

20 (I) an individual shall not be
21 taken into account as an employee for
22 any period during which substantially
23 all of the services provided by such in-
24 dividual as an employee are provided
25 outside the United States, and

1 (II) under regulations provided
2 by the Secretary, an individual who
3 performs services as an independent
4 contractor shall be treated as an em-
5 ployee of the employer if no credit
6 under this section is allowed to any
7 other employer with respect to such
8 individual.

9 (2) CREDIT LIMITED TO EMPLOYMENT
10 TAXES.—The credit allowed by subsection (a) with
11 respect to any calendar quarter shall not exceed the
12 applicable employment taxes (reduced by any credits
13 allowed under subsections (e) and (f) of section
14 3111 of the Internal Revenue Code of 1986, sections
15 7001 and 7003 of the Families First Coronavirus
16 Response Act, and section 2301 of the CARES Act)
17 on the wages paid with respect to the employment
18 of all the employees of the employer for such cal-
19 endar quarter.

20 (3) REFUNDABILITY OF EXCESS CREDIT.—

21 (A) IN GENERAL.—If the amount of the
22 credit under subsection (a) exceeds the limita-
23 tion of paragraph (2) for any calendar quarter,
24 such excess shall be treated as an overpayment
25 that shall be refunded under sections 6402(a)

1 and 6413(b) of the Internal Revenue Code of
2 1986.

3 (B) TREATMENT OF PAYMENTS.—For pur-
4 poses of section 1324 of title 31, United States
5 Code, any amounts due to the employer under
6 this paragraph shall be treated in the same
7 manner as a refund due from a credit provision
8 referred to in subsection (b)(2) of such section.

9 (c) QUALIFIED EMPLOYEE PROTECTION EX-
10 PENSES.—For purposes of this section, the term “quali-
11 fied employee protection expenses” means amounts (other
12 than any qualified workplace reconfiguration expense)
13 paid or incurred by the employer for—

14 (1) testing employees of the employer for
15 COVID–19 (including on a periodic basis),

16 (2) equipment (including masks, gloves, and
17 disinfectants) and technology systems used—

18 (A) to protect customers or employees of
19 the employer from contracting COVID–19,

20 (B) to enhance social distancing and con-
21 tact tracing, or

22 (C) to improve indoor air quality, including
23 ventilation, filtration, and air purification.

24 (3) cleaning products or services (whether pro-
25 vided by an employee of the taxpayer or a cleaning

1 service provider) related to preventing the spread of
2 COVID–19, and

3 (4) such other equipment or technology which—

4 (A) is recommended as part of the Federal
5 government’s recommendations for safe work-
6 places, and

7 (B) the Secretary, in consultation with the
8 Secretary of Health and Human Services and
9 the Director of the Centers for Disease Control
10 and Prevention, determines is necessary and ap-
11 propriate for preventing COVID–19.

12 (d) QUALIFIED WORKPLACE RECONFIGURATION EX-
13 PENSES.—For purposes of this section—

14 (1) IN GENERAL.—The term “qualified work-
15 place reconfiguration expenses” means amounts paid
16 or incurred by the employer to evaluate, design, and
17 reconfigure retail space, work areas, break areas, or
18 other areas that employees or customers regularly
19 use in the ordinary course of the employer’s trade or
20 business if such evaluation, design, and reconfigura-
21 tion—

22 (A) has a primary purpose of preventing
23 the spread of COVID–19,

1 (B) is with respect to an area that is lo-
2 cated in the United States and that is leased or
3 owned by the employer,

4 (C) is consistent with the ordinary use of
5 the property immediately before the reconfig-
6 uration,

7 (D) is commensurate with the risks faced
8 by the employees or customers or is consistent
9 with recommendations made by the Centers for
10 Disease Control and Prevention or the Occupa-
11 tional Safety and Health Administration,

12 (E) is completed pursuant to a reconfig-
13 uration plan and no comparable reconfiguration
14 plan was in place before March 13, 2020, and

15 (F) is completed before January 1, 2022.

16 (2) REGULATIONS.—The Secretary shall pre-
17 scribe such regulations and other guidance as may
18 be necessary or appropriate to carry out the pur-
19 poses of this subsection, including guidance defining
20 primary purpose and reconfiguration plan.

21 (e) QUALIFIED EDUCATION AND TRAINING EX-
22 PENSES.—For purposes of this section—

23 (1) IN GENERAL.—The term “qualified edu-
24 cation and training expenses” means amount paid or
25 incurred to a qualified entity for the training em-

1 employees on new business procedures related to pre-
2 venting COVID–19 transmission.

3 (2) QUALIFIED ENTITY.—The term “qualified
4 entity” means any entity certified by the Secretary
5 as an accredited training institution, an industry-
6 recognized trade association, or a nonprofit entity
7 qualified to provide training described in paragraph
8 (1).

9 (f) OTHER DEFINITIONS.—For purposes of this sec-
10 tion—

11 (1) APPLICABLE EMPLOYMENT TAXES.—The
12 term “applicable employment taxes” means the fol-
13 lowing:

14 (A) The taxes imposed under section
15 3111(a) of the Internal Revenue Code of 1986.

16 (B) So much of the taxes imposed under
17 section 3221(a) of such Code as are attrib-
18 utable to the rate in effect under section
19 3111(a) of such Code.

20 (2) COVID–19.—Except where the context
21 clearly indicates otherwise, any reference in this sec-
22 tion to COVID–19 shall be treated as including a
23 reference to the virus which causes COVID–19.

1 (3) SECRETARY.—The term “Secretary” means
2 the Secretary of the Treasury or the Secretary’s del-
3 egate.

4 (4) OTHER TERMS.—Any term used in this sec-
5 tion (other than subsection (b)(1)(B)) which is also
6 used in chapter 21 or 22 of the Internal Revenue
7 Code of 1986 shall have the same meaning as when
8 used in such chapter.

9 (g) CERTAIN GOVERNMENTAL EMPLOYERS.—This
10 section shall not apply to the Government of the United
11 States, the government of any State or political subdivi-
12 sion thereof, or any agency or instrumentality of any of
13 the foregoing.

14 (h) SPECIAL RULES.—

15 (1) AGGREGATION RULE.—All persons treated
16 as a single employer under subsection (a) or (b) of
17 section 52 of the Internal Revenue Code of 1986, or
18 subsection (m) or (o) of section 414 of such Code,
19 shall be treated as one employer for purposes of this
20 section.

21 (2) DENIAL OF DOUBLE BENEFIT.—Rules simi-
22 lar to the rules of section 280C(a) of the Internal
23 Revenue Code of 1986 shall apply for purposes of
24 this section.

1 (3) THIRD-PARTY PAYORS.—Any credit allowed
2 under this section shall be treated as a credit de-
3 scribed in section 3511(d)(2) of such Code.

4 (4) ELECTION NOT TO HAVE SECTION APPLY.—
5 This section shall not apply with respect to any em-
6 ployer for any calendar quarter if such employer
7 elects (at such time and in such manner as the Sec-
8 retary may prescribe) not to have this section apply.

9 (5) COORDINATION WITH PAYCHECK PROTEC-
10 TION PROGRAM AND OTHER GOVERNMENT
11 GRANTS.—

12 (A) PAYCHECK PROTECTION PROGRAM.—

13 (i) IN GENERAL.—No credit shall be
14 allowed under section with respect to any
15 amounts taken into account in connection
16 with a covered loan under section 7(a)(37)
17 or 7A of the Small Business Act.

18 (ii) APPLICATION WHERE LOANS NOT
19 FORGIVEN.—The Secretary, in consultation
20 with the Administrator of the Small Busi-
21 ness Administration, shall issue guidance
22 providing that amounts taken into account
23 during the covered period shall not fail to
24 be treated as qualified wages under this

1 section by reason of subparagraph (A) to
2 the extent that—

3 (I) a covered loan of the taxpayer
4 under section 7(a)(37) of the Small
5 Business Act is not forgiven by reason
6 of a decision under section
7 7(a)(37)(J) of such Act, or

8 (II) a covered loan of the tax-
9 payer under section 7A of the Small
10 Business Act is not forgiven by reason
11 of a decision under section 7A(g) of
12 such Act.

13 (B) GOVERNMENT GRANTS.—No credit
14 shall be allowed under this section with respect
15 to any amount paid or incurred for property or
16 services if such property or services are fi-
17 nanced with funding provided under a Federal,
18 State, or local program a principal purpose of
19 which is to provide subsidized financing for
20 such property or services.

21 (6) EXPENSES MUST BE FOR PROPERTY OR
22 SERVICES WITHIN THE UNITED STATES.—An
23 amount paid or incurred by the employer shall not
24 be taken into account as a qualified employee protec-
25 tion expense, a qualified workplace reconfiguration

1 expense, or a qualified education and training ex-
2 pense if such amount is paid or incurred for—

3 (A) equipment which is not for use in the
4 United States, or

5 (B) services which are not conducted in the
6 United States.

7 (i) TRANSFERS TO CERTAIN TRUST FUNDS.—There
8 are hereby appropriated to the Federal Old-Age and Sur-
9 vivors Insurance Trust Fund and the Federal Disability
10 Insurance Trust Fund established under section 201 of
11 the Social Security Act (42 U.S.C. 401) and the Social
12 Security Equivalent Benefit Account established under
13 section 15A(a) of the Railroad Retirement Act of 1974
14 (45 U.S.C. 14 231n–1(a)) amounts equal to the reduction
15 in revenues to the Treasury by reason of this section
16 (without regard to this subsection). Amounts appropriated
17 by the preceding sentence shall be transferred from the
18 general fund at such times and in such manner as to rep-
19 licate to the extent possible the transfers which would have
20 occurred to such Trust Fund or Account had this section
21 not been enacted.

22 (j) TREATMENT OF DEPOSITS.—The Secretary shall
23 waive any penalty under section 6656 of the Internal Rev-
24 enue Code of 1986 for any failure to make a deposit of
25 any applicable employment taxes if the Secretary deter-

1 mines that such failure was due to the reasonable anticipa-
2 tion of the credit allowed under this section.

3 (k) REGULATIONS AND GUIDANCE.—The Secretary
4 shall prescribe such regulations and other guidance as
5 may be necessary or appropriate to carry out the purposes
6 of this section, including—

7 (1) with respect to the application of the credit
8 under subsection (a) to third-party payors (including
9 professional employer organizations, certified profes-
10 sional employer organizations, or agents under sec-
11 tion 3504 of the Internal Revenue Code of 1986),
12 regulations or other guidance allowing such payors
13 to submit documentation necessary to substantiate
14 the amount of the credit allowed under subsection
15 (a),

16 (2) regulations or other guidance with respect
17 to amounts paid or incurred by an employer on be-
18 half of the owner or lessee, or paid or incurred by
19 such owner or lessee, of a property that is the sub-
20 ject of a management agreement or other similar
21 legal arrangement, and

22 (3) regulations or other guidance to prevent
23 abusive transactions.

1 (l) APPLICATION.—This section shall only apply to
2 amounts paid or incurred after December 31, 2020, and
3 before January 1, 2022.

4 **SEC. ____ . INCOME TAX CREDIT FOR 2020 QUALIFIED WORK-**
5 **PLACE RECONFIGURATION EXPENSES.**

6 (a) IN GENERAL.—For purposes of section 38 of the
7 Internal Revenue Code of 1986, in the case of an em-
8 ployer, the 2020 qualified workplace reconfiguration credit
9 shall be treated as a credit listed at the end of subsection
10 (b) of such section. For purposes of this subsection, the
11 2020 qualified workplace reconfiguration credit for any
12 taxable year is an amount equal to 50 percent of the quali-
13 fied workplace reconfiguration expenses paid or incurred
14 by the employer during such taxable year.

15 (b) LIMITATION.—

16 (1) IN GENERAL.—The amount of the credit al-
17 lowed under subsection (a) with respect to any em-
18 ployer for any taxable year shall not exceed—

19 (A) \$3,000, multiplied by so much of the
20 average number of full-time employees em-
21 ployed by such employer during such taxable
22 year as does not exceed 500, plus

23 (B) \$0, multiplied by so much of such av-
24 erage number of full-time employees as exceeds
25 500.

1 (2) AVERAGE NUMBER OF FULL-TIME EMPLOY-
2 EES.—For purposes of this subsection, the average
3 number of full time employees shall be determined in
4 the same manner as such number is determined for
5 purposes of determining whether an employer is an
6 applicable large employer for purposes of section
7 4980H(c)(2) of the Internal Revenue Code of 1986,
8 except that—

9 (A) an individual shall not be taken into
10 account as an employee for any period during
11 which substantially all of the services provided
12 by such individual as an employee are provided
13 outside the United States, and

14 (B) under regulations provided by the Sec-
15 retary, an individual who performs services as
16 an independent contractor shall be treated as
17 an employee of the employer if no credit under
18 this section is allowed to any other employer
19 with respect to such individual.

20 (c) QUALIFIED WORKPLACE RECONFIGURATION EX-
21 PENSES.—For purposes of this section—

22 (1) IN GENERAL.—The term “qualified work-
23 place reconfiguration expenses” has the meaning
24 given such term under section 2(d).

1 (2) EXPENSES MUST BE FOR PROPERTY OR
2 SERVICES WITHIN THE UNITED STATES.—An
3 amount paid or incurred by the employer shall not
4 be taken into account as a qualified workplace re-
5 configuration expense if such amount is paid or in-
6 curred for—

7 (A) equipment which is not for use in the
8 United States, or

9 (B) services which are not conducted in the
10 United States.

11 (d) OTHER RULES.—

12 (1) AGGREGATION RULE.—All persons treated
13 as a single employer under subsection (a) or (b) of
14 section 52 of the Internal Revenue Code of 1986, or
15 subsection (m) or (o) of section 414 of such Code,
16 shall be treated as one employer for purposes of this
17 section.

18 (2) DENIAL OF DOUBLE BENEFIT.—Rules simi-
19 lar to the rules of section 280C(a) of the Internal
20 Revenue Code of 1986 shall apply for purposes of
21 this section.

22 (3) ELECTION NOT TO HAVE SECTION APPLY.—
23 This section shall not apply with respect to any em-
24 ployer for any calendar quarter if such employer

1 elects (at such time and in such manner as the Sec-
2 retary may prescribe) not to have this section apply.

3 (4) COORDINATION WITH PAYCHECK PROTEC-
4 TION PROGRAM AND OTHER GOVERNMENT
5 GRANTS.—

6 (A) PAYCHECK PROTECTION PROGRAM.—

7 (i) IN GENERAL.—No credit shall be
8 allowed under section with respect to any
9 amounts taken into account in connection
10 with a covered loan under section 7(a)(37)
11 or 7A of the Small Business Act.

12 (ii) APPLICATION WHERE LOANS NOT
13 FORGIVEN.—The Secretary, in consultation
14 with the Administrator of the Small Busi-
15 ness Administration, shall issue guidance
16 providing that amounts taken into account
17 during the covered period shall not fail to
18 be treated as qualified wages under this
19 section by reason of subparagraph (A) to
20 the extent that—

21 (I) a covered loan of the taxpayer
22 under section 7(a)(37) of the Small
23 Business Act is not forgiven by reason
24 of a decision under section
25 7(a)(37)(J) of such Act, or

1 (II) a covered loan of the tax-
2 payer under section 7A of the Small
3 Business Act is not forgiven by reason
4 of a decision under section 7A(g) of
5 such Act.

6 (B) GOVERNMENT GRANTS.—No credit
7 shall be allowed under this section with respect
8 to any amount paid or incurred for property or
9 services if such property or services are fi-
10 nanced with funding provided under a Federal,
11 State, or local program a principal purpose of
12 which is to provide subsidized financing for
13 such property or services.

14 (e) APPLICABILITY.—This section shall apply to
15 qualified workplace reconfiguration expenses paid or in-
16 curred after March 12, 2020, and before January 1, 2021.

