

1           **Subtitle B—COVID-related Tax**  
2                           **Relief Act of 2020**

3   **SEC. 271. SHORT TITLE; TABLE OF CONTENTS.**

4           (a) **SHORT TITLE.**—This subtitle may be cited as the  
5 “COVID-related Tax Relief Act of 2020”.

6           (b) **AMENDMENT OF 1986 CODE.**—Except as other-  
7 wise expressly provided, whenever in this Act an amend-  
8 ment or repeal is expressed in terms of an amendment  
9 to, or repeal of, a section or other provision, the reference  
10 shall be considered to be made to a section or other provi-  
11 sion of the Internal Revenue Code of 1986.

12           (c) **TABLE OF CONTENTS.**—The table of contents of  
13 this Act is as follows:

- Sec. 271. Short title; table of contents.
- Sec. 272. Additional 2020 recovery rebates for individuals.
- Sec. 273. Amendments to recovery rebates under the CARES Act.
- Sec. 274. Extension of certain deferred payroll taxes.
- Sec. 275. Regulations or guidance clarifying application of educator expense tax deduction.
- Sec. 276. Clarification of tax treatment of forgiveness of covered loans.
- Sec. 277. Emergency financial aid grants.
- Sec. 278. Clarification of tax treatment of certain loan forgiveness and other business financial assistance under the CARES Act.
- Sec. 279. Authority to waive certain information reporting requirements.
- Sec. 280. Application of special rules to money purchase pension plans.
- Sec. 281. Election to waive application of certain modifications to farming losses.
- Sec. 282. Oversight and audit reporting.
- Sec. 283. Disclosures to identify tax receivables not eligible for collection pursuant to qualified tax collection contracts.
- Sec. 284. Modification of certain protections for taxpayer return information.
- Sec. 285. 2020 election to terminate transfer period for qualified transfers from pension plan for covering future retiree costs.
- Sec. 286. Extension of credits for paid sick and family leave.
- Sec. 287. Election to use prior year net earnings from self-employment in determining average daily self-employment income for purposes of credits for paid sick and family leave.
- Sec. 288. Certain technical improvements to credits for paid sick and family leave.

1 **SEC. 272. ADDITIONAL 2020 RECOVERY REBATES FOR INDI-**  
2 **VIDUALS.**

3 (a) IN GENERAL.—Subchapter B of chapter 65 of  
4 subtitle F is amended by inserting after section 6428 the  
5 following new section:

6 **“SEC. 6428A. ADDITIONAL 2020 RECOVERY REBATES FOR IN-**  
7 **DIVIDUALS.**

8 “(a) IN GENERAL.—In addition to the credit allowed  
9 under section 6428, in the case of an eligible individual,  
10 there shall be allowed as a credit against the tax imposed  
11 by subtitle A for the first taxable year beginning in 2020  
12 an amount equal to the sum of—

13 “(1) \$600 ( \$1,200 in the case of eligible indi-  
14 viduals filing a joint return), plus

15 “(2) an amount equal to the product of \$600  
16 multiplied by the number of qualifying children  
17 (within the meaning of section 24(c)) of the tax-  
18 payer.

19 “(b) TREATMENT OF CREDIT.—The credit allowed by  
20 subsection (a) shall be treated as allowed by subpart C  
21 of part IV of subchapter A of chapter 1.

22 “(c) LIMITATION BASED ON ADJUSTED GROSS IN-  
23 COME.—The amount of the credit allowed by subsection  
24 (a) (determined without regard to this subsection and sub-  
25 section (e)) shall be reduced (but not below zero) by 5

1 percent of so much of the taxpayer's adjusted gross in-  
2 come as exceeds—

3 “(1) \$150,000 in the case of a joint return or  
4 a surviving spouse (as defined in section 2(a)),

5 “(2) \$112,500 in the case of a head of house-  
6 hold (as defined in section 2(b)), and

7 “(3) \$75,000 in the case of a taxpayer not de-  
8 scribed in paragraph (1) or (2).

9 “(d) ELIGIBLE INDIVIDUAL.—For purposes of this  
10 section, the term ‘eligible individual’ means any individual  
11 other than—

12 “(1) any nonresident alien individual,

13 “(2) any individual with respect to whom a de-  
14 duction under section 151 is allowable to another  
15 taxpayer for a taxable year beginning in the cal-  
16 endar year in which the individual's taxable year be-  
17 gins, and

18 “(3) an estate or trust.

19 “(e) COORDINATION WITH ADVANCE REFUNDS OF  
20 CREDIT.—

21 “(1) IN GENERAL.—The amount of the credit  
22 which would (but for this paragraph) be allowable  
23 under this section shall be reduced (but not below  
24 zero) by the aggregate refunds and credits made or  
25 allowed to the taxpayer under subsection (f). Any

1 failure to so reduce the credit shall be treated as  
2 arising out of a mathematical or clerical error and  
3 assessed according to section 6213(b)(1).

4 “(2) JOINT RETURNS.—Except as otherwise  
5 provided by the Secretary, in the case of a refund  
6 or credit made or allowed under subsection (f) with  
7 respect to a joint return, half of such refund or cred-  
8 it shall be treated as having been made or allowed  
9 to each individual filing such return.

10 “(f) ADVANCE REFUNDS AND CREDITS.—

11 “(1) IN GENERAL.—Each individual who was  
12 an eligible individual for such individual’s first tax-  
13 able year beginning in 2019 shall be treated as hav-  
14 ing made a payment against the tax imposed by  
15 chapter 1 for such taxable year in an amount equal  
16 to the advance refund amount for such taxable year.

17 “(2) ADVANCE REFUND AMOUNT.—For pur-  
18 poses of paragraph (1), the advance refund amount  
19 is the amount that would have been allowed as a  
20 credit under this section for such taxable year if this  
21 section (other than subsection (e) and this sub-  
22 section) had applied to such taxable year. For pur-  
23 poses of determining the advance refund amount  
24 with respect to such taxable year—

1           “(A) any individual who was deceased be-  
2 fore January 1, 2020, shall be treated for pur-  
3 poses of applying subsection (g) in the same  
4 manner as if the valid identification number of  
5 such person was not included on the return of  
6 tax for such taxable year, and

7           “(B) no amount shall be determined under  
8 this subsection with respect to any qualifying  
9 child of the taxpayer if—

10                   “(i) the taxpayer was deceased before  
11 January 1, 2020, or

12                   “(ii) in the case of a joint return, both  
13 taxpayers were deceased before January 1,  
14 2020.

15           “(3) TIMING AND MANNER OF PAYMENTS.—

16                   “(A) TIMING.—

17                           “(i) IN GENERAL.—The Secretary  
18 shall, subject to the provisions of this title,  
19 refund or credit any overpayment attrib-  
20 utable to this subsection as rapidly as pos-  
21 sible.

22                           “(ii) DEADLINE.—

23                                   “(I) IN GENERAL.—Except as  
24 provided in subclause (II), no refund  
25 or credit shall be made or allowed

1 under this subsection after January  
2 15, 2021.

3 “(II) EXCEPTION FOR MIRROR  
4 CODE POSSESSIONS.—In the case of a  
5 possession of the United States which  
6 has a mirror code tax system (as such  
7 terms are defined in section 272(c) of  
8 the COVID-related Tax Relief Act of  
9 2020), no refund or credit shall be  
10 made or allowed under this subsection  
11 after the earlier of—

12 “(aa) such date as is deter-  
13 mined appropriate by the Sec-  
14 retary, or

15 “(bb) September 30, 2021.

16 “(B) DELIVERY OF PAYMENTS.—Notwith-  
17 standing any other provision of law, the Sec-  
18 retary may certify and disburse refunds payable  
19 under this subsection electronically to—

20 “(i) any account to which the payee  
21 authorized, on or after January 1, 2019,  
22 the delivery of a refund of taxes under this  
23 title or of a Federal payment (as defined  
24 in section 3332 of title 31, United States  
25 Code),

1                   “(ii) any account belonging to a payee  
2                   from which that individual, on or after  
3                   January 1, 2019, made a payment of taxes  
4                   under this title, or

5                   “(iii) any Treasury-sponsored account  
6                   (as defined in section 208.2 of title 31,  
7                   Code of Federal Regulations).

8                   “(C) WAIVER OF CERTAIN RULES.—Not-  
9                   withstanding section 3325 of title 31, United  
10                  States Code, or any other provision of law, with  
11                  respect to any payment of a refund under this  
12                  subsection, a disbursing official in the executive  
13                  branch of the United States Government may  
14                  modify payment information received from an  
15                  officer or employee described in section  
16                  3325(a)(1)(B) of such title for the purpose of  
17                  facilitating the accurate and efficient delivery of  
18                  such payment. Except in cases of fraud or reck-  
19                  less neglect, no liability under sections 3325,  
20                  3527, 3528, or 3529 of title 31, United States  
21                  Code, shall be imposed with respect to pay-  
22                  ments made under this subparagraph.

23                  “(4) NO INTEREST.—No interest shall be al-  
24                  lowed on any overpayment attributable to this sub-  
25                  section.

1           “(5) APPLICATION TO CERTAIN INDIVIDUALS  
2 WHO DO NOT FILE A RETURN OF TAX FOR 2019.—

3           “(A) IN GENERAL.—In the case of a speci-  
4 fied individual who, at the time of any deter-  
5 mination made pursuant to paragraph (3), has  
6 not filed a tax return for the year described in  
7 paragraph (1), the Secretary may use informa-  
8 tion with respect to such individual which is  
9 provided by—

10           “(i) in the case of a specified social  
11 security beneficiary or a specified supple-  
12 mental security income recipient, the Com-  
13 missioner of Social Security,

14           “(ii) in the case of a specified railroad  
15 retirement beneficiary, the Railroad Retire-  
16 ment Board, and

17           “(iii) in the case of a specified vet-  
18 erans beneficiary, the Secretary of Vet-  
19 erans Affairs (in coordination with, and  
20 with the assistance of, the Commissioner of  
21 Social Security if appropriate).

22           “(B) SPECIFIED INDIVIDUAL.—For pur-  
23 poses of this paragraph, the term ‘specified in-  
24 dividual’ means any individual who is—

1 “(i) a specified social security bene-  
2 ficiary,

3 “(ii) a specified supplemental security  
4 income recipient,

5 “(iii) a specified railroad retirement  
6 beneficiary, or

7 “(iv) a specified veterans beneficiary.

8 “(C) SPECIFIED SOCIAL SECURITY BENE-  
9 FICIARY.—

10 “(i) IN GENERAL.—For purposes of  
11 this paragraph, the term ‘specified social  
12 security beneficiary’ means any individual  
13 who, for the last month for which the Sec-  
14 retary has available information as of the  
15 date of enactment of this section, is enti-  
16 tled to any monthly insurance benefit pay-  
17 able under title II of the Social Security  
18 Act (42 U.S.C. 401 et seq.), including pay-  
19 ments made pursuant to sections 202(d),  
20 223(g), and 223(i)(7) of such Act.

21 “(ii) EXCEPTION.—For purposes of  
22 this paragraph, the term ‘specified social  
23 security beneficiary’ shall not include any  
24 individual if such benefit is not payable for  
25 such month by reason of section

1                   202(x)(1)(A) of the Social Security Act  
2                   (42 U.S.C. 402(x)(1)(A)) or section 1129A  
3                   of such Act (42 U.S.C. 1320a–8a).

4                   “(D) SPECIFIED SUPPLEMENTAL SECUR-  
5                   RITY INCOME RECIPIENT.—

6                   “(i) IN GENERAL.—For purposes of  
7                   this paragraph, the term ‘specified supple-  
8                   mental security income recipient’ means  
9                   any individual who, for the last month for  
10                  which the Secretary has available informa-  
11                  tion as of the date of enactment of this  
12                  section, is eligible for a monthly benefit  
13                  payable under title XVI of the Social Secu-  
14                  rity Act (42 U.S.C. 1381 et seq.), includ-  
15                  ing—

16                  “(I) payments made pursuant to  
17                  section 1614(a)(3)(C) of such Act (42  
18                  U.S.C. 1382c(a)(3)(C)),

19                  “(II) payments made pursuant to  
20                  section 1619(a) (42 U.S.C. 1382h(a))  
21                  or subsections (a)(4), (a)(7), or (p)(7)  
22                  of section 1631 (42 U.S.C. 1383) of  
23                  such Act, and

24                  “(III) State supplementary pay-  
25                  ments of the type referred to in sec-

1                   tion 1616(a) of such Act (42 U.S.C.  
2                   1382e(a)) (or payments of the type  
3                   described in section 212(a) of Public  
4                   Law 93–66) which are paid by the  
5                   Commissioner under an agreement re-  
6                   ferred to in such section 1616(a) (or  
7                   section 212(a) of Public Law 93–66).

8                   “(ii) EXCEPTION.—For purposes of  
9                   this paragraph, the term ‘specified supple-  
10                  mental security income recipient’ shall not  
11                  include any individual if such monthly ben-  
12                  efit is not payable for such month by rea-  
13                  son of section 1611(e)(1)(A) of the Social  
14                  Security Act (42 U.S.C. 1382(e)(1)(A)) or  
15                  section 1129A of such Act (42 U.S.C.  
16                  1320a–8a).

17                  “(E) SPECIFIED RAILROAD RETIREMENT  
18                  BENEFICIARY.—For purposes of this para-  
19                  graph, the term ‘specified railroad retirement  
20                  beneficiary’ means any individual who, for the  
21                  last month for which the Secretary has avail-  
22                  able information as of the date of enactment of  
23                  this section, is entitled to a monthly annuity or  
24                  pension payment payable (without regard to

1 section 5(a)(ii) of the Railroad Retirement Act  
2 of 1974 (45 U.S.C. 231d(a)(ii)) under—

3 “(i) section 2(a)(1) of such Act (45  
4 U.S.C. 231a(a)(1)),

5 “(ii) section 2(c) of such Act (45  
6 U.S.C. 231a(c)),

7 “(iii) section 2(d)(1) of such Act (45  
8 U.S.C. 231a(d)(1)), or

9 “(iv) section 7(b)(2) of such Act (45  
10 U.S.C. 231f(b)(2)) with respect to any of  
11 the benefit payments described in subpara-  
12 graph (C)(i).

13 “(F) SPECIFIED VETERANS BENE-  
14 FICIARY.—

15 “(i) IN GENERAL.—For purposes of  
16 this paragraph, the term ‘specified vet-  
17 erans beneficiary’ means any individual  
18 who, for the last month for which the Sec-  
19 retary has available information as of the  
20 date of enactment of this section, is enti-  
21 tled to a compensation or pension payment  
22 payable under—

23 “(I) section 1110, 1117, 1121,  
24 1131, 1141, or 1151 of title 38,  
25 United States Code,

1 “(II) section 1310, 1312, 1313,  
2 1315, 1316, or 1318 of title 38,  
3 United States Code,

4 “(III) section 1513, 1521, 1533,  
5 1536, 1537, 1541, 1542, or 1562 of  
6 title 38, United States Code, or

7 “(IV) section 1805, 1815, or  
8 1821 of title 38, United States Code,  
9 to a veteran, surviving spouse, child, or  
10 parent as described in paragraph (2), (3),  
11 (4)(A)(ii), or (5) of section 101, title 38,  
12 United States Code.

13 “(ii) EXCEPTION.—For purposes of  
14 this paragraph, the term ‘specified vet-  
15 erans beneficiary’ shall not include any in-  
16 dividual if such compensation or pension  
17 payment is not payable, or was reduced,  
18 for such month by reason of section 1505  
19 or 5313 of title 38, United States Code.

20 “(G) SUBSEQUENT DETERMINATIONS AND  
21 REDETERMINATIONS NOT TAKEN INTO AC-  
22 COUNT.—For purposes of this section, any indi-  
23 vidual’s status as a specified social security ben-  
24 eficiary, a specified supplemental security in-  
25 come recipient, a specified railroad retirement

1 beneficiary, or a specified veterans beneficiary  
2 shall be unaffected by any determination or re-  
3 determination of any entitlement to, or eligi-  
4 bility for, any benefit, payment, or compensa-  
5 tion, if such determination or redetermination  
6 occurs after the last month for which the Sec-  
7 retary has available information as of the date  
8 of enactment of this section.

9 “(H) PAYMENT TO REPRESENTATIVE PAY-  
10 EES AND FIDUCIARIES.—

11 “(i) IN GENERAL.—If the benefit,  
12 payment, or compensation referred to in  
13 subparagraph (C)(i), (D)(i), (E), or (F)(i)  
14 with respect to any specified individual is  
15 paid to a representative payee or fiduciary,  
16 payment by the Secretary under paragraph  
17 (3) with respect to such specified indi-  
18 vidual shall be made to such individual’s  
19 representative payee or fiduciary and the  
20 entire payment shall be used only for the  
21 benefit of the individual who is entitled to  
22 the payment.

23 “(ii) APPLICATION OF ENFORCEMENT  
24 PROVISIONS.—

1                   “(I) In the case of a payment de-  
2                   scribed in clause (i) which is made  
3                   with respect to a specified social secu-  
4                   rity beneficiary or a specified supple-  
5                   mental security income recipient, sec-  
6                   tion 1129(a)(3) of the Social Security  
7                   Act (42 U.S.C. 1320a–8(a)(3)) shall  
8                   apply to such payment in the same  
9                   manner as such section applies to a  
10                  payment under title II or XVI of such  
11                  Act.

12                  “(II) In the case of a payment  
13                  described in clause (i) which is made  
14                  with respect to a specified railroad re-  
15                  tirement beneficiary, section 13 of the  
16                  Railroad Retirement Act (45 U.S.C.  
17                  2311) shall apply to such payment in  
18                  the same manner as such section ap-  
19                  plies to a payment under such Act.

20                  “(III) In the case of a payment  
21                  described in clause (i) which is made  
22                  with respect to a specified veterans  
23                  beneficiary, sections 5502, 6106, and  
24                  6108 of title 38, United States Code,  
25                  shall apply to such payment in the

1 same manner as such sections apply  
2 to a payment under such title.

3 “(I) INELIGIBILITY FOR SPECIAL RULE  
4 NOT TO BE INTERPRETED AS GENERAL INELI-  
5 GIBILITY.—An individual shall not fail to be  
6 treated as an eligible individual for purposes of  
7 this subsection or subsection (a) merely because  
8 such individual is not a specified individual (in-  
9 cluding by reason of subparagraph (C)(ii),  
10 (D)(ii), or (F)(ii)).

11 “(6) NOTICE TO TAXPAYER.—As soon as prac-  
12 ticable after the date on which the Secretary distrib-  
13 uted any payment to an eligible taxpayer pursuant  
14 to this subsection, the Secretary shall send notice by  
15 mail to such taxpayer’s last known address. Such  
16 notice shall indicate the method by which such pay-  
17 ment was made, the amount of such payment, and  
18 a phone number for the appropriate point of contact  
19 at the Internal Revenue Service to report any failure  
20 to receive such payment.

21 “(g) IDENTIFICATION NUMBER REQUIREMENT.—

22 “(1) IN GENERAL.—In the case of a return  
23 other than a joint return, the \$600 amount in sub-  
24 section (a)(1) shall be treated as being zero unless  
25 the taxpayer includes the valid identification number

1 of the taxpayer on the return of tax for the taxable  
2 year.

3 “(2) JOINT RETURNS.—In the case of a joint  
4 return, the \$1,200 amount in subsection (a)(1) shall  
5 be treated as being—

6 “(A) \$600 if the valid identification num-  
7 ber of only 1 spouse is included on the return  
8 of tax for the taxable year, and

9 “(B) zero if the valid identification number  
10 of neither spouse is so included.

11 “(3) QUALIFYING CHILD.—A qualifying child of  
12 a taxpayer shall not be taken into account under  
13 subsection (a)(2) unless—

14 “(A) the taxpayer includes the valid identi-  
15 fication number of such taxpayer (or, in the  
16 case of a joint return, the valid identification  
17 number of at least 1 spouse) on the return of  
18 tax for the taxable year, and

19 “(B) the valid identification number of  
20 such qualifying child is included on the return  
21 of tax for the taxable year.

22 “(4) VALID IDENTIFICATION NUMBER.—

23 “(A) IN GENERAL.—For purposes of this  
24 subsection, the term ‘valid identification num-

1           ber’ means a social security number (as such  
2           term is defined in section 24(h)(7)).

3           “(B) ADOPTION TAXPAYER IDENTIFICA-  
4           TION NUMBER.—For purposes of paragraph  
5           (3)(B), in the case of a qualifying child who is  
6           adopted or placed for adoption, the term ‘valid  
7           identification number’ shall include the adop-  
8           tion taxpayer identification number of such  
9           child.

10          “(5) SPECIAL RULE FOR MEMBERS OF THE  
11          ARMED FORCES.—Paragraph (2) shall not apply in  
12          the case where at least 1 spouse was a member of  
13          the Armed Forces of the United States at any time  
14          during the taxable year and the valid identification  
15          number of at least 1 spouse is included on the re-  
16          turn of tax for the taxable year.

17          “(6) COORDINATION WITH CERTAIN ADVANCE  
18          PAYMENTS.—In the case of any payment under sub-  
19          section (f) which is based on information provided  
20          under paragraph (5) of such subsection, a valid  
21          identification number shall be treated for purposes  
22          of this subsection as included on the taxpayer’s re-  
23          turn of tax if such valid identification number is  
24          provided pursuant to subsection (f)(5).

1           “(7) MATHEMATICAL OR CLERICAL ERROR AU-  
2           THORITY.—Any omission of a correct valid identi-  
3           fication number required under this subsection shall  
4           be treated as a mathematical or clerical error for  
5           purposes of applying section 6213(g)(2) to such  
6           omission.

7           “(h) REGULATIONS.—The Secretary shall prescribe  
8           such regulations or other guidance as may be necessary  
9           to carry out the purposes of this section, including any  
10          such measures as are deemed appropriate to avoid allow-  
11          ing multiple credits or rebates to a taxpayer.”.

12          (b) ADMINISTRATIVE AMENDMENTS.—

13                 (1) DEFINITION OF DEFICIENCY.—Section  
14                 6211(b)(4)(A) is amended by striking “and 6428”  
15                 and inserting “6428, and 6428A”.

16                 (2) MATHEMATICAL OR CLERICAL ERROR AU-  
17                 THORITY.—Section 6213(g)(2)(L) is amended by  
18                 striking “or 6428” and inserting “6428, or 6428A”.

19          (c) TREATMENT OF POSSESSIONS.—

20                 (1) PAYMENTS TO POSSESSIONS.—

21                         (A) MIRROR CODE POSSESSION.—The Sec-  
22                         retary of the Treasury shall pay to each posses-  
23                         sion of the United States which has a mirror  
24                         code tax system amounts equal to the loss (if  
25                         any) to that possession by reason of the amend-

1           ments made by this section. Such amounts shall  
2           be determined by the Secretary of the Treasury  
3           based on information provided by the govern-  
4           ment of the respective possession.

5                   (B) OTHER POSSESSIONS.—The Secretary  
6           of the Treasury shall pay to each possession of  
7           the United States which does not have a mirror  
8           code tax system amounts estimated by the Sec-  
9           retary of the Treasury as being equal to the ag-  
10          gregate benefits (if any) that would have been  
11          provided to residents of such possession by rea-  
12          son of the amendments made by this section if  
13          a mirror code tax system had been in effect in  
14          such possession. The preceding sentence shall  
15          not apply unless the respective possession has a  
16          plan, which has been approved by the Secretary  
17          of the Treasury, under which such possession  
18          will promptly distribute such payments to its  
19          residents.

20                   (2) COORDINATION WITH CREDIT ALLOWED  
21          AGAINST UNITED STATES INCOME TAXES.—No cred-  
22          it shall be allowed against United States income  
23          taxes under section 6428A of the Internal Revenue  
24          Code of 1986 (as added by this section) to any per-  
25          son—

1 (A) to whom a credit is allowed against  
2 taxes imposed by the possession by reason of  
3 the amendments made by this section, or

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

6 (3) DEFINITIONS AND SPECIAL RULES.—

7 (A) POSSESSION OF THE UNITED  
8 STATES.—For purposes of this subsection, the  
9 term “possession of the United States” includes  
10 the Commonwealth of Puerto Rico and the  
11 Commonwealth of the Northern Mariana Is-  
12 lands.

13 (B) MIRROR CODE TAX SYSTEM.—For pur-  
14 poses of this subsection, the term “mirror code  
15 tax system” means, with respect to any posses-  
16 sion of the United States, the income tax sys-  
17 tem of such possession if the income tax liabil-  
18 ity of the residents of such possession under  
19 such system is determined by reference to the  
20 income tax laws of the United States as if such  
21 possession were the United States.

22 (C) TREATMENT OF PAYMENTS.—For pur-  
23 poses of section 1324 of title 31, United States  
24 Code, the payments under this subsection shall  
25 be treated in the same manner as a refund due

1 from a credit provision referred to in subsection  
2 (b)(2) of such section.

3 (d) ADMINISTRATIVE PROVISIONS.—

4 (1) EXCEPTION FROM REDUCTION OR OFF-  
5 SET.—Any refund payable by reason of section  
6 6428A(f) of the Internal Revenue Code of 1986 (as  
7 added by this section), or any such refund payable  
8 by reason of subsection (c) of this section, shall not  
9 be—

10 (A) subject to reduction or offset pursuant  
11 to section 3716 or 3720A of title 31, United  
12 States Code,

13 (B) subject to reduction or offset pursuant  
14 to subsection (c), (d), (e), or (f) of section 6402  
15 of the Internal Revenue Code of 1986, or

16 (C) reduced or offset by other assessed  
17 Federal taxes that would otherwise be subject  
18 to levy or collection.

19 (2) ASSIGNMENT OF BENEFITS.—

20 (A) IN GENERAL.—The right of any per-  
21 son to any applicable payment shall not be  
22 transferable or assignable, at law or in equity,  
23 and no applicable payment shall be subject to,  
24 execution, levy, attachment, garnishment, or

1 other legal process, or the operation of any  
2 bankruptcy or insolvency law.

3 (B) ENCODING OF PAYMENTS.—In the  
4 case of an applicable payment described in sub-  
5 paragraph (E)(iii)(I) that is paid electronically  
6 by direct deposit through the Automated Clear-  
7 ing House (ACH) network, the Secretary of the  
8 Treasury (or the Secretary’s delegate) shall—

9 (i) issue the payment using a unique  
10 identifier that is reasonably sufficient to  
11 allow a financial institution to identify the  
12 payment as an applicable payment, and

13 (ii) further encode the payment pursu-  
14 ant to the same specifications as required  
15 for a benefit payment defined in section  
16 212.3 of title 31, Code of Federal Regula-  
17 tions.

18 (C) GARNISHMENT.—

19 (i) ENCODED PAYMENTS.—In the case  
20 of a garnishment order that applies to an  
21 account that has received an applicable  
22 payment that is encoded as provided in  
23 subparagraph (B), a financial institution  
24 shall follow the requirements and proce-

1                   dures set forth in part 212 of title 31,  
2                   Code of Federal Regulations, except—

3                               (I) notwithstanding section 212.4  
4                               of title 31, Code of Federal Regula-  
5                               tions (and except as provided in sub-  
6                               clause (II)), a financial institution  
7                               shall not fail to follow the procedures  
8                               of sections 212.5 and 212.6 of such  
9                               title with respect to a garnishment  
10                              order merely because such order has  
11                              attached, or includes, a notice of right  
12                              to garnish federal benefits issued by a  
13                              State child support enforcement agen-  
14                              cy, and

15                              (II) a financial institution shall  
16                              not, with regard to any applicable  
17                              payment, be required to provide the  
18                              notice referenced in sections 212.6  
19                              and 212.7 of title 31, Code of Federal  
20                              Regulations.

21                              (ii) OTHER PAYMENTS.—In the case  
22                              of a garnishment order (other than an  
23                              order that has been served by the United  
24                              States) that has been received by a finan-  
25                              cial institution and that applies to an ac-

1 count into which an applicable payment  
2 that has not been encoded as provided in  
3 subparagraph (B) has been deposited elec-  
4 tronically on any date during the lookback  
5 period or into which an applicable payment  
6 that has been deposited by check on any  
7 date in the lookback period, the financial  
8 institution, upon the request of the account  
9 holder, shall treat the amount of the funds  
10 in the account at the time of the request,  
11 up to the amount of the applicable pay-  
12 ment (in addition to any amounts other-  
13 wise protected under part 212 of title 31,  
14 Code of Federal Regulations), as exempt  
15 from a garnishment order without requir-  
16 ing the consent of the party serving the  
17 garnishment order or the judgment cred-  
18 itor.

19 (iii) LIABILITY.—A financial institu-  
20 tion that acts in good faith in reliance on  
21 clauses (i) or (ii) shall not be subject to li-  
22 ability or regulatory action under any Fed-  
23 eral or State law, regulation, court or other  
24 order, or regulatory interpretation for ac-  
25 tions concerning any applicable payments.

1           (D) NO RECLAMATION RIGHTS.—This  
2 paragraph shall not alter the status of applica-  
3 ble payments as tax refunds or other nonbenefit  
4 payments for purpose of any reclamation rights  
5 of the Department of the Treasury or the Inter-  
6 nal Revenue Service as per part 210 of title 31,  
7 Code of Federal Regulations.

8           (E) DEFINITIONS.—For purposes of this  
9 paragraph—

10           (i) ACCOUNT HOLDER.—The term  
11 “account holder” means a natural person  
12 whose name appears in a financial institu-  
13 tion’s records as the direct or beneficial  
14 owner of an account.

15           (ii) ACCOUNT REVIEW.—The term  
16 “account review” means the process of ex-  
17 amining deposits in an account to deter-  
18 mine if an applicable payment has been de-  
19 posited into the account during the  
20 lookback period. The financial institution  
21 shall perform the account review following  
22 the procedures outlined in section 212.5 of  
23 title 31, Code of Federal Regulations and  
24 in accordance with the requirements of sec-

1                   tion 212.6 of title 31, Code of Federal  
2                   Regulations.

3                   (iii) APPLICABLE PAYMENT.—The  
4                   term “applicable payment” means—

5                   (I) any advance refund amount  
6                   paid pursuant to section 6428A(f) of  
7                   Internal Revenue Code of 1986 (as  
8                   added by this section),

9                   (II) any payment made by a pos-  
10                  session of the United States with a  
11                  mirror code tax system (as defined in  
12                  subsection (c) of this section) pursu-  
13                  ant to such subsection which cor-  
14                  responds to a payment described in  
15                  subclause (I), and

16                  (III) any payment made by a  
17                  possession of the United States with-  
18                  out a mirror code tax system (as so  
19                  defined) pursuant to subsection (c) of  
20                  this section.

21                  (iv) GARNISHMENT.—The term “gar-  
22                  nishment” means execution, levy, attach-  
23                  ment, garnishment, or other legal process.

24                  (v) GARNISHMENT ORDER.—The term  
25                  “garnishment order” means a writ, order,

1 notice, summons, judgment, levy, or simi-  
2 lar written instruction issued by a court, a  
3 State or State agency, a municipality or  
4 municipal corporation, or a State child  
5 support enforcement agency, including a  
6 lien arising by operation of law for overdue  
7 child support or an order to freeze the as-  
8 sets in an account, to effect a garnishment  
9 against a debtor.

10 (vi) LOOKBACK PERIOD.—The term  
11 “lookback period” means the two month  
12 period that begins on the date preceding  
13 the date of account review and ends on the  
14 corresponding date of the month two  
15 months earlier, or on the last date of the  
16 month two months earlier if the cor-  
17 responding date does not exist.

18 (3) AGENCY INFORMATION SHARING AND AS-  
19 SISTANCE.—

20 (A) IN GENERAL.—The Commissioner of  
21 Social Security, the Railroad Retirement Board,  
22 and the Secretary of Veterans Affairs shall each  
23 provide the Secretary of the Treasury (or the  
24 Secretary’s delegate) such information and as-  
25 sistance as the Secretary of the Treasury (or

1 the Secretary's delegate) may require for pur-  
2 poses of—

3 (i) making payments under section  
4 6428A(f) of the Internal Revenue Code of  
5 1986 to individuals described in paragraph  
6 (5)(A) thereof, or

7 (ii) providing administrative assist-  
8 ance to a possession of the United States  
9 (as defined in subsection (c)(3)(A)) to  
10 allow such possession to promptly dis-  
11 tribute payments under subsection (c) to  
12 its residents.

13 (B) EXCHANGE OF INFORMATION WITH  
14 POSSESSIONS.—Any information provided to the  
15 Secretary of the Treasury (or the Secretary's  
16 delegate) pursuant to subparagraph (A)(ii) may  
17 be exchanged with a possession of the United  
18 States in accordance with the applicable tax co-  
19 ordination agreement for information exchange  
20 and administrative assistance that the Internal  
21 Revenue Service has agreed to with such pos-  
22 session.

23 (e) PUBLIC AWARENESS CAMPAIGN.—The Secretary  
24 of the Treasury (or the Secretary's delegate) shall conduct  
25 a public awareness campaign, in coordination with the

1 Commissioner of Social Security and the heads of other  
2 relevant Federal agencies, to provide information regard-  
3 ing the availability of the credit and rebate allowed under  
4 section 6428A of the Internal Revenue Code of 1986 (as  
5 added by this section), including information with respect  
6 to individuals who may not have filed a tax return for tax-  
7 able year 2019.

8 (f) APPROPRIATIONS TO CARRY OUT REBATES AND  
9 ADDRESS COVID-RELATED TAX ADMINISTRATION  
10 ISSUES.—

11 (1) IN GENERAL.—Immediately upon the enact-  
12 ment of this Act, the following sums are appro-  
13 priated, out of any money in the Treasury not other-  
14 wise appropriated, for the fiscal year ending Sep-  
15 tember 30, 2021:

16 (A) DEPARTMENT OF THE TREASURY.—

17 (i) For an additional amount for “De-  
18 partment of the Treasury—Internal Rev-  
19 enue Service—Taxpayer Services”,  
20 \$178,335,000, to remain available until  
21 September 30, 2021.

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

1                   \$273,237,000, to remain available until  
2                   September 30, 2021.

3                   (iii) For an additional amount for  
4                   “Department of Treasury—Internal Rev-  
5                   enue Service—Enforcement”, \$57,428,000,  
6                   to remain available until September 30,  
7                   2021.

8                   Amounts made available in appropriations  
9                   under this subparagraph may be transferred be-  
10                  tween such appropriations upon the advance no-  
11                  tification of the Committees on Appropriations  
12                  of the House of Representatives and the Sen-  
13                  ate. Such transfer authority is in addition to  
14                  any other transfer authority provided by law.

15                  (B) SOCIAL SECURITY ADMINISTRATION.—  
16                  For an additional amount for “Social Security  
17                  Administration—Limitation on Administrative  
18                  Expenses”, \$38,000,000, to remain available  
19                  until September 30, 2021.

20                  (C) RAILROAD RETIREMENT BOARD.—For  
21                  an additional amount for “Railroad Retirement  
22                  Board—Limitation on Administration”, \$8,300,  
23                  to remain available until September 30, 2021.

24                  (2) REPORTS.—No later than 15 days after en-  
25                  actment of this Act, the Secretary of the Treasury

1 shall submit a plan to the Committees on Appropria-  
2 tions of the House of Representatives and the Sen-  
3 ate detailing the expected use of the funds provided  
4 by paragraph (1)(A). Beginning 90 days after enact-  
5 ment of this Act, the Secretary of the Treasury shall  
6 submit a quarterly report to the Committees on Ap-  
7 propriations of the House of Representatives and the  
8 Senate detailing the actual expenditure of funds pro-  
9 vided by paragraph (1)(A) and the expected expendi-  
10 ture of such funds in the subsequent quarter.

11 (g) CONFORMING AMENDMENTS.—

12 (1) Paragraph (2) of section 1324(b) of title  
13 31, United States Code, is amended by inserting  
14 “6428A,” after “6428,”.

15 (2) The table of sections for subchapter B of  
16 chapter 65 of subtitle F is amended by inserting  
17 after the item relating to section 6428 the following:

“Sec. 6428A. Additional 2020 recovery rebates for individuals.”.

18 **SEC. 273. AMENDMENTS TO RECOVERY REBATES UNDER**  
19 **THE CARES ACT.**

20 (a) AMENDMENTS TO SECTION 6428 OF THE INTER-  
21 NATIONAL REVENUE CODE OF 1986.—Section 6428 is amend-  
22 ed—

23 (1) in subsection (c)(1), by inserting “or a sur-  
24 viving spouse (as defined in section 2(a))” after  
25 “joint return”,

1 (2) in subsection (f)—

2 (A) in paragraph (3)(A), by striking “sec-  
3 tion” and inserting “subsection”,

4 (B) in paragraph (4), by striking “section”  
5 and inserting “subsection”, and

6 (C) by redesignating paragraph (6) as  
7 paragraph (7) and by inserting after paragraph  
8 (5) the following new paragraph:

9 “(6) PAYMENT TO REPRESENTATIVE PAYEES  
10 AND FIDUCIARIES.—

11 “(A) IN GENERAL.—In the case of any in-  
12 dividual for which payment information is pro-  
13 vided to the Secretary by the Commissioner of  
14 Social Security, the Railroad Retirement Board,  
15 or the Secretary of Veterans Affairs, the pay-  
16 ment by the Secretary under paragraph (3)  
17 with respect to such individual may be made to  
18 such individual’s representative payee or fidu-  
19 ciary and the entire payment shall be—

20 “(i) provided to the individual who is  
21 entitled to the payment, or

22 “(ii) used only for the benefit of the  
23 individual who is entitled to the payment.

24 “(B) APPLICATION OF ENFORCEMENT  
25 PROVISIONS.—

1           “(i) In the case of a payment de-  
2           scribed in subparagraph (A) which is made  
3           with respect to a social security beneficiary  
4           or a supplemental security income recipi-  
5           ent, section 1129(a)(3) of the Social Secu-  
6           rity Act (42 U.S.C. 1320a–8(a)(3)) shall  
7           apply to such payment in the same manner  
8           as such section applies to a payment under  
9           title II or XVI of such Act.

10           “(ii) In the case of a payment de-  
11           scribed in subparagraph (A) which is made  
12           with respect to a railroad retirement bene-  
13           ficiary, section 13 of the Railroad Retire-  
14           ment Act (45 U.S.C. 2311) shall apply to  
15           such payment in the same manner as such  
16           section applies to a payment under such  
17           Act.

18           “(iii) In the case of a payment de-  
19           scribed in subparagraph (A) which is made  
20           with respect to a veterans beneficiary, sec-  
21           tions 5502, 6106, and 6108 of title 38,  
22           United States Code, shall apply to such  
23           payment in the same manner as such sec-  
24           tions apply to a payment under such  
25           title.”, and

1           (3) by striking subsection (g) and inserting the  
2 following:

3           “(g) IDENTIFICATION NUMBER REQUIREMENT.—

4           “(1) REQUIREMENTS FOR CREDIT.—Subject to  
5 paragraph (2), with respect to the credit allowed  
6 under subsection (a), the following provisions shall  
7 apply:

8           “(A) IN GENERAL.—In the case of a re-  
9 turn other than a joint return, the \$1,200  
10 amount in subsection (a)(1) shall be treated as  
11 being zero unless the taxpayer includes the  
12 valid identification number of the taxpayer on  
13 the return of tax for the taxable year.

14           “(B) JOINT RETURNS.—In the case of a  
15 joint return, the \$2,400 amount in subsection  
16 (a)(1) shall be treated as being—

17           “(i) \$1,200 if the valid identification  
18 number of only 1 spouse is included on the  
19 return of tax for the taxable year, and

20           “(ii) zero if the valid identification  
21 number of neither spouse is so included.

22           “(C) QUALIFYING CHILD.—A qualifying  
23 child of a taxpayer shall not be taken into ac-  
24 count under subsection (a)(2) unless—

1           “(i) the taxpayer includes the valid  
2           identification number of such taxpayer (or,  
3           in the case of a joint return, the valid iden-  
4           tification number of at least 1 spouse) on  
5           the return of tax for the taxable year, and

6           “(ii) the valid identification number of  
7           such qualifying child is included on the re-  
8           turn of tax for the taxable year.

9           “(2) REQUIREMENTS FOR ADVANCE RE-  
10          FUNDS.—No refund shall be payable under sub-  
11          section (f) to an eligible individual who does not in-  
12          clude on the return of tax for the taxable year—

13           “(A) such individual’s valid identification  
14          number,

15           “(B) in the case of a joint return, the valid  
16          identification number of such individual’s  
17          spouse, and

18           “(C) in the case of any qualifying child  
19          taken into account under subsection (a)(2), the  
20          valid identification number of such qualifying  
21          child.

22          “(3) VALID IDENTIFICATION NUMBER.—

23           “(A) IN GENERAL.—For purposes of this  
24          subsection, the term ‘valid identification num-

1           ber’ means a social security number (as such  
2           term is defined in section 24(h)(7)).

3           “(B) ADOPTION TAXPAYER IDENTIFICA-  
4           TION NUMBER.—For purposes of paragraphs  
5           (1)(C) and (2)(C), in the case of a qualifying  
6           child who is adopted or placed for adoption, the  
7           term ‘valid identification number’ shall include  
8           the adoption taxpayer identification number of  
9           such child.

10          “(4) SPECIAL RULE FOR MEMBERS OF THE  
11          ARMED FORCES.—Paragraphs (1)(B) and (2)(B)  
12          shall not apply in the case where at least 1 spouse  
13          was a member of the Armed Forces of the United  
14          States at any time during the taxable year and the  
15          valid identification number of at least 1 spouse is in-  
16          cluded on the return of tax for the taxable year.

17          “(5) MATHEMATICAL OR CLERICAL ERROR AU-  
18          THORITY.—Any omission of a correct valid identi-  
19          fication number required under this subsection shall  
20          be treated as a mathematical or clerical error for  
21          purposes of applying section 6213(g)(2) to such  
22          omission.”.

23          (b) AMENDMENTS TO SECTION 2201 OF THE CARES  
24          ACT.—Section 2201 of the CARES Act is amended—

1           (1) in subsection (d), by striking “Any credit or  
2 refund allowed or made to any individual by reason  
3 of section 6428 of the Internal Revenue Code of  
4 1986 (as added by this section) or by reason of sub-  
5 section (c) of this section” and inserting “Any re-  
6 fund payable by reason of section 6428(f) of the In-  
7 ternal Revenue Code of 1986 (as added by this sec-  
8 tion), or any such refund payable by reason of sub-  
9 section (c) of this section,” and

10           (2) in subsection (f)(1)(A)(i), by inserting after  
11 “September 30, 2021” the following: “, of which up  
12 to \$63,000,000 may be transferred to the “Depart-  
13 ment of the Treasury—Bureau of the Fiscal Serv-  
14 ice—Debt Collection” for necessary expenses related  
15 to the implementation and operation of Government-  
16 wide debt collection activities pursuant to sections  
17 3711(g), 3716, and 3720A of title 31, United States  
18 Code, and subsections (c) through (f) of section  
19 6402 of the Internal Revenue Code of 1986 to offset  
20 the loss resulting from the coronavirus pandemic of  
21 debt collection receipts collected pursuant to such  
22 sections: *Provided*, That amounts transferred pursu-  
23 ant to this clause shall be in addition to any other  
24 funds made available for this purpose”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect as if included in section 2201  
3 of the CARES Act.

4 **SEC. 274. EXTENSION OF CERTAIN DEFERRED PAYROLL**  
5 **TAXES.**

6 The Secretary of the Treasury (or the Secretary’s  
7 delegate) shall ensure that Internal Revenue Service No-  
8 tice 2020–65 (entitled “Relief with Respect to Employ-  
9 ment Tax Deadlines Applicable to Employers Affected by  
10 the Ongoing Coronavirus (COVID–19) Disease 2019 Pan-  
11 demic”) and any successor or related regulation, notice,  
12 or guidance is applied—

13 (1) by substituting “December 31, 2021” for  
14 “April 30, 2021” each place it appears therein, and

15 (2) by substituting “January 1, 2022” for  
16 “May 1, 2021” each place it appears therein.

17 **SEC. 275. REGULATIONS OR GUIDANCE CLARIFYING APPLI-**  
18 **CATION OF EDUCATOR EXPENSE TAX DEDUC-**  
19 **TION.**

20 Not later than February 28, 2021, the Secretary of  
21 the Treasury (or the Secretary’s delegate) shall by regula-  
22 tion or other guidance clarify that personal protective  
23 equipment, disinfectant, and other supplies used for the  
24 prevention of the spread of COVID–19 are treated as de-  
25 scribed in section 62(a)(2)(D)(ii) of the Internal Revenue

1 Code of 1986. Such regulations or other guidance shall  
2 apply to expenses paid or incurred after March 12, 2020.

3 **SEC. 276. CLARIFICATION OF TAX TREATMENT OF FOR-**  
4 **GIVENESS OF COVERED LOANS.**

5 (a) ORIGINAL PAYCHECK PROTECTION PROGRAM  
6 LOANS.—

7 (1) IN GENERAL.—Subsection (i) of section 7A  
8 of the Small Business Act, as redesignated, trans-  
9 ferred, and amended by the Economic Aid to Hard-  
10 Hit Small Businesses, Nonprofits, and Venues Act,  
11 is amended to read as follows:

12 “(i) TAX TREATMENT.—For purposes of the Internal  
13 Revenue Code of 1986—

14 “(1) no amount shall be included in the gross  
15 income of the eligible recipient by reason of forgive-  
16 ness of indebtedness described in subsection (b),

17 “(2) no deduction shall be denied, no tax at-  
18 tribute shall be reduced, and no basis increase shall  
19 be denied, by reason of the exclusion from gross in-  
20 come provided by paragraph (1), and

21 “(3) in the case of an eligible recipient that is  
22 a partnership or S corporation—

23 “(A) any amount excluded from income by  
24 reason of paragraph (1) shall be treated as tax  
25 exempt income for purposes of sections 705 and

1           1366 of the Internal Revenue Code of 1986,  
2           and

3           “(B) except as provided by the Secretary  
4           of the Treasury (or the Secretary’s delegate),  
5           any increase in the adjusted basis of a partner’s  
6           interest in a partnership under section 705 of  
7           the Internal Revenue Code of 1986 with respect  
8           to any amount described in subparagraph (A)  
9           shall equal the partner’s distributive share of  
10          deductions resulting from costs giving rise to  
11          forgiveness described in subsection (b).”.

12          (2) EFFECTIVE DATE.—The amendment made  
13          by this subsection shall apply to taxable years end-  
14          ing after the date of the enactment of the CARES  
15          Act.

16          (b) SUBSEQUENT PAYCHECK PROTECTION PROGRAM  
17          LOANS.—For purposes of the Internal Revenue Code of  
18          1986, in the case of any taxable year ending after the date  
19          of the enactment of this Act—

20                 (1) no amount shall be included in the gross in-  
21                 come of an eligible entity (within the meaning of  
22                 subparagraph (J) of section 7(a)(37) of the Small  
23                 Business Act) by reason of forgiveness of indebted-  
24                 ness described in clause (ii) of such subparagraph,

1           (2) no deduction shall be denied, no tax at-  
2           tribute shall be reduced, and no basis increase shall  
3           be denied, by reason of the exclusion from gross in-  
4           come provided by paragraph (1), and

5           (3) in the case of an eligible entity that is a  
6           partnership or S corporation—

7                   (A) any amount excluded from income by  
8                   reason of paragraph (1) shall be treated as tax  
9                   exempt income for purposes of sections 705 and  
10                  1366 of the Internal Revenue Code of 1986,  
11                  and

12                   (B) except as provided by the Secretary of  
13                   the Treasury (or the Secretary's delegate), any  
14                   increase in the adjusted basis of a partner's in-  
15                   terest in a partnership under section 705 of the  
16                   Internal Revenue Code of 1986 with respect to  
17                   any amount described in subparagraph (A)  
18                   shall equal the partner's distributive share of  
19                   deductions resulting from costs giving rise to  
20                   the forgiveness of indebtedness referred to in  
21                   paragraph (1).

22 **SEC. 277. EMERGENCY FINANCIAL AID GRANTS.**

23           (a) **IN GENERAL.**—In the case of a student receiving  
24           a qualified emergency financial aid grant—

1           (1) such grant shall not be included in the  
2 gross income of such individual for purposes of the  
3 Internal Revenue Code of 1986, and

4           (2) such grant shall not be treated as described  
5 in subparagraph (A), (B), or (C) of section  
6 25A(g)(2) of such Code.

7           (b) DEFINITIONS.—For purposes of this subsection,  
8 the term “qualified emergency financial aid grant”  
9 means—

10           (1) any emergency financial aid grant awarded  
11 by an institution of higher education under section  
12 3504 of the CARES Act,

13           (2) any emergency financial aid grant from an  
14 institution of higher education made with funds  
15 made available under section 18004 of the CARES  
16 Act, and

17           (3) any other emergency financial aid grant  
18 made to a student from a Federal agency, a State,  
19 an Indian tribe, an institution of higher education,  
20 or a scholarship-granting organization (including a  
21 tribal organization, as defined in section 4 of the In-  
22 dian Self-Determination and Education Assistance  
23 Act (25 U.S.C.5304)) for the purpose of providing  
24 financial relief to students enrolled at institutions of  
25 higher education in response to a qualifying emer-

1 agency (as defined in section 3502(a)(4) of the  
2 CARES Act).

3 (c) LIMITATION.—This section shall not apply to that  
4 portion of any amount received which represents payment  
5 for teaching, research, or other services required as a con-  
6 dition for receiving the qualified emergency financial aid  
7 grant.

8 (d) EFFECTIVE DATE.—This section shall apply to  
9 qualified emergency financial aid grants made after March  
10 26, 2020.

11 **SEC. 278. CLARIFICATION OF TAX TREATMENT OF CERTAIN**  
12 **LOAN FORGIVENESS AND OTHER BUSINESS**  
13 **FINANCIAL ASSISTANCE.**

14 (a) UNITED STATES TREASURY PROGRAM MANAGE-  
15 MENT AUTHORITY.—For purposes of the Internal Rev-  
16 enue Code of 1986—

17 (1) no amount shall be included in the gross in-  
18 come of a borrower by reason of forgiveness of in-  
19 debtedness described in section 1109(d)(2)(D) of the  
20 CARES Act,

21 (2) no deduction shall be denied, no tax at-  
22 tribute shall be reduced, and no basis increase shall  
23 be denied, by reason of the exclusion from gross in-  
24 come provided by paragraph (1), and

1           (3) in the case of a borrower that is a partner-  
2           ship or S corporation—

3                   (A) any amount excluded from income by  
4                   reason of paragraph (1) shall be treated as tax  
5                   exempt income for purposes of sections 705 and  
6                   1366 of the Internal Revenue Code of 1986,  
7                   and

8                   (B) except as provided by the Secretary of  
9                   the Treasury (or the Secretary's delegate), any  
10                  increase in the adjusted basis of a partner's in-  
11                  terest in a partnership under section 705 of the  
12                  Internal Revenue Code of 1986 with respect to  
13                  any amount described in subparagraph (A)  
14                  shall equal the partner's distributive share of  
15                  deductions resulting from costs giving rise to  
16                  forgiveness described in section 1109(d)(2)(D)  
17                  of the CARES Act.

18           (b) **EMERGENCY EIDL GRANTS AND TARGETED**  
19 **EIDL ADVANCES.**—For purposes of the Internal Revenue  
20 Code of 1986—

21                   (1) any advance described in section 1110(e) of  
22                   the CARES Act or any funding under section 331  
23                   of the Economic Aid to Hard-Hit Small Businesses,  
24                   Nonprofits, and Venues Act shall not be included in

1 the gross income of the person that receives such ad-  
2 vance or funding,

3 (2) no deduction shall be denied, no tax at-  
4 tribute shall be reduced, and no basis increase shall  
5 be denied, by reason of the exclusion from gross in-  
6 come provided by paragraph (1), and

7 (3) in the case of a partnership or S corpora-  
8 tion that receives such advance or funding—

9 (A) any amount excluded from income by  
10 reason of paragraph (1) shall be treated as tax  
11 exempt income for purposes of sections 705 and  
12 1366 of the Internal Revenue Code of 1986,  
13 and

14 (B) the Secretary of the Treasury (or the  
15 Secretary's delegate) shall prescribe rules for  
16 determining a partner's distributive share of  
17 any amount described in subparagraph (A) for  
18 purposes of section 705 of the Internal Revenue  
19 Code of 1986.

20 (c) SUBSIDY FOR CERTAIN LOAN PAYMENTS.—For  
21 purposes of the Internal Revenue Code of 1986—

22 (1) any payment described in section 1112(c) of  
23 the CARES Act shall not be included in the gross  
24 income of the person on whose behalf such payment  
25 is made,

1           (2) no deduction shall be denied, no tax at-  
2           tribute shall be reduced, and no basis increase shall  
3           be denied, by reason of the exclusion from gross in-  
4           come provided by paragraph (1), and

5           (3) in the case of a partnership or S corpora-  
6           tion on whose behalf of a payment described in sec-  
7           tion 1112(c) of the CARES Act is made—

8                   (A) any amount excluded from income by  
9                   reason of paragraph (1) shall be treated as tax  
10                  exempt income for purposes of sections 705 and  
11                  1366 of the Internal Revenue Code of 1986,  
12                  and

13                   (B) except as provided by the Secretary of  
14                  the Treasury (or the Secretary's delegate), any  
15                  increase in the adjusted basis of a partner's in-  
16                  terest in a partnership under section 705 of the  
17                  Internal Revenue Code of 1986 with respect to  
18                  any amount described in subparagraph (A)  
19                  shall equal the sum of the partner's distributive  
20                  share of deductions resulting from interest and  
21                  fees described in section 1112(c) of the CARES  
22                  Act and the partner's share, as determined  
23                  under section 752 of the Internal Revenue Code  
24                  of 1986, of principal described in section  
25                  1112(c) of the CARES Act.

1 (d) GRANTS FOR SHUTTERED VENUE OPERATORS.—

2 For purposes of the Internal Revenue Code of 1986—

3 (1) any grant made under section 324 of the  
4 Economic Aid to Hard-Hit Small Businesses, Non-  
5 profits, and Venues Act shall not be included in the  
6 gross income of the person that receives such grant,

7 (2) no deduction shall be denied, no tax at-  
8 tribute shall be reduced, and no basis increase shall  
9 be denied, by reason of the exclusion from gross in-  
10 come provided by paragraph (1), and

11 (3) in the case of a partnership or S corpora-  
12 tion that receives such grant—

13 (A) any amount excluded from income by  
14 reason of paragraph (1) shall be treated as tax  
15 exempt income for purposes of sections 705 and  
16 1366 of the Internal Revenue Code of 1986,  
17 and

18 (B) the Secretary of the Treasury (or the  
19 Secretary's delegate) shall prescribe rules for  
20 determining a partner's distributive share of  
21 any amount described in subparagraph (A) for  
22 purposes of section 705 of the Internal Revenue  
23 Code of 1986.

24 (e) EFFECTIVE DATES.—



1 distribution which is an in-service withdrawal shall be  
2 treated as meeting the distribution rules of section 401(a)  
3 of the Internal Revenue Code of 1986” before the period.

4 (b) EFFECTIVE DATE.—The amendment made by  
5 this section shall apply as if included in the enactment  
6 of section 2202 of the CARES Act.

7 **SEC. 281. ELECTION TO WAIVE APPLICATION OF CERTAIN**  
8 **MODIFICATIONS TO FARMING LOSSES.**

9 (a) IN GENERAL.—Section 2303 of the CARES Act  
10 is amended by adding at the end the following new sub-  
11 section:

12 “(e) SPECIAL RULES WITH RESPECT TO FARMING  
13 LOSSES.—

14 “(1) ELECTION TO DISREGARD APPLICATION OF  
15 AMENDMENTS MADE BY SUBSECTIONS (a) AND  
16 (b).—

17 “(A) IN GENERAL.—If a taxpayer who has  
18 a farming loss (within the meaning of section  
19 172(b)(1)(B)(ii) of the Internal Revenue Code  
20 of 1986) for any taxable year beginning in  
21 2018, 2019, or 2020 makes an election under  
22 this paragraph, then—

23 “(i) the amendments made by sub-  
24 section (a) shall not apply to any taxable

1 year beginning in 2018, 2019, or 2020,  
2 and

3 “(ii) the amendments made by sub-  
4 section (b) shall not apply to any net oper-  
5 ating loss arising in any taxable year be-  
6 ginning in 2018, 2019, or 2020.

7 “(B) ELECTION.—

8 “(i) IN GENERAL.—Except as pro-  
9 vided in clause (ii)(II), an election under  
10 this paragraph shall be made in such man-  
11 ner as may be prescribed by the Secretary.  
12 Such election, once made, shall be irrev-  
13 ocable.

14 “(ii) TIME FOR MAKING ELECTION.—

15 “(I) IN GENERAL.—An election  
16 under this paragraph shall be made  
17 by the due date (including extensions  
18 of time) for filing the taxpayer’s re-  
19 turn for the taxpayer’s first taxable  
20 year ending after the date of the en-  
21 actment of the COVID-related Tax  
22 Relief Act of 2020.

23 “(II) PREVIOUSLY FILED RE-  
24 TURNS.—In the case of any taxable  
25 year for which the taxpayer has filed

1 a return of Federal income tax before  
2 the date of the enactment of the  
3 COVID-related Tax Relief Act of  
4 2020 which disregards the amend-  
5 ments made by subsections (a) and  
6 (b), such taxpayer shall be treated as  
7 having made an election under this  
8 paragraph unless the taxpayer amends  
9 such return to reflect such amend-  
10 ments by the due date (including ex-  
11 tensions of time) for filing the tax-  
12 payer's return for the first taxable  
13 year ending after the date of the en-  
14 actment of the COVID-related Tax  
15 Relief Act of 2020.

16 “(C) REGULATIONS.—The Secretary of the  
17 Treasury (or the Secretary's delegate) shall  
18 issue such regulations and other guidance as  
19 may be necessary to carry out the purposes of  
20 this paragraph, including regulations and guid-  
21 ance relating to the application of the rules of  
22 section 172(a) of the Internal Revenue Code of  
23 1986 (as in effect before the date of the enact-  
24 ment of the CARES Act) to taxpayers making  
25 an election under this paragraph.

1           “(2) REVOCATION OF ELECTION TO WAIVE  
2           CARRYBACK.—The last sentence of section 172(b)(3)  
3           of the Internal Revenue Code of 1986 and the last  
4           sentence of section 172(b)(1)(B) of such Code shall  
5           not apply to any election—

6                       “(A) which was made before the date of  
7                       the enactment of the COVID-related Tax Relief  
8                       Act of 2020, and

9                       “(B) which relates to the carryback period  
10                      provided under section 172(b)(1)(B) of such  
11                      Code with respect to any net operating loss  
12                      arising in taxable years beginning in 2018 or  
13                      2019.”.

14           (b) EFFECTIVE DATE.—The amendment made by  
15           this section shall take effect as if included in section 2303  
16           of the CARES Act.

17   **SEC. 282. OVERSIGHT AND AUDIT REPORTING.**

18           Section 19010(a)(1) of the CARES Act is amended  
19           by striking “and” at the end of subparagraph (F), by  
20           striking “and” at the end of subparagraph (G), and by  
21           adding at the end the following new subparagraphs:

22                       “(H) the Committee on Finance of the  
23                       Senate; and

24                       “(I) the Committee on Ways and Means of  
25                       the House of Representatives; and”.

1 **SEC. 283. DISCLOSURES TO IDENTIFY TAX RECEIVABLES**  
2 **NOT ELIGIBLE FOR COLLECTION PURSUANT**  
3 **TO QUALIFIED TAX COLLECTION CON-**  
4 **TRACTS.**

5 (a) IN GENERAL.—Section 1106 of the Social Secu-  
6 rity Act (42 U.S.C. 1306) is amended by adding at the  
7 end the following:

8 “(g) Notwithstanding any other provision of this sec-  
9 tion, the Commissioner of Social Security shall enter into  
10 an agreement with the Secretary of the Treasury under  
11 which—

12 “(1) if the Secretary provides the Commissioner  
13 with the information described in section  
14 6103(k)(15) of the Internal Revenue Code of 1986  
15 with respect to any individual, the Commissioner  
16 shall indicate to the Secretary as to whether such in-  
17 dividual receives disability insurance benefits under  
18 section 223 or supplemental security income benefits  
19 under title XVI (including State supplementary pay-  
20 ments of the type referred to in section 1616(a) or  
21 payments of the type described in section 212(a) of  
22 Public Law 93–66);

23 “(2) appropriate safeguards are included to as-  
24 sure that the indication described in paragraph (1)  
25 will be used solely for the purpose of determining if  
26 tax receivables involving such individual are not eli-

1       gible for collection pursuant to a qualified tax collec-  
2       tion contract by reason of section 6306(d)(3)(E) of  
3       the Internal Revenue Code of 1986; and

4               “(3) the Secretary shall pay the Commissioner  
5       of Social Security the full costs (including systems  
6       and administrative costs) of providing the indication  
7       described in paragraph (1).”.

8       (b) AUTHORIZATION OF DISCLOSURE BY SECRETARY  
9       OF THE TREASURY.—

10               (1) IN GENERAL.—Section 6103(k) is amended  
11       by adding at the end the following new paragraph:

12               “(15) DISCLOSURES TO SOCIAL SECURITY AD-  
13       MINISTRATION TO IDENTIFY TAX RECEIVABLES NOT  
14       ELIGIBLE FOR COLLECTION PURSUANT TO QUALI-  
15       FIED TAX COLLECTION CONTRACTS.—In the case of  
16       any individual involved with a tax receivable which  
17       the Secretary has identified for possible collection  
18       pursuant to a qualified tax collection contract (as  
19       defined in section 6306(b)), the Secretary may dis-  
20       close the taxpayer identity and date of birth of such  
21       individual to officers, employees, and contractors of  
22       the Social Security Administration to determine if  
23       such tax receivable is not eligible for collection pur-  
24       suant to such a qualified tax collection contract by  
25       reason of section 6306(d)(3)(E).”.

1           (2) CONFORMING AMENDMENTS RELATED TO  
2 SAFEGUARDS.—

3           (A) Section 6103(a)(3) is amended by  
4 striking “or (14)” and inserting “(14), or  
5 (15)”.

6           (B) Section 6103(p)(4) is amended—

7           (i) by striking “(k)(8), (10) or (11)”  
8 both places it appears and inserting  
9 “(k)(8), (10), (11), or (15)”, and

10           (ii) by striking “any other person de-  
11 scribed in subsection (k)(10)” each place it  
12 appears and inserting “any other person  
13 described in subsection (k)(10) or (15)”.

14           (C) Section 7213(a)(2) is amended by  
15 striking “(k)(10), (13), or (14)” and inserting  
16 “(k)(10), (13), (14), or (15)”.

17           (c) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to disclosures made on or after  
19 the date of the enactment of this Act.

20 **SEC. 284. MODIFICATION OF CERTAIN PROTECTIONS FOR**  
21 **TAXPAYER RETURN INFORMATION.**

22           (a) AMENDMENTS TO THE INTERNAL REVENUE  
23 CODE OF 1986.—

24           (1) IN GENERAL.—Subparagraph (D) of section  
25 6103(l)(13) is amended—

1           (A) by inserting at the end of clause (iii)  
2           the following new sentence: “Under such terms  
3           and conditions as may be prescribed by the Sec-  
4           retary, after consultation with the Department  
5           of Education, an institution of higher education  
6           described in subclause (I) or a State higher  
7           education agency described in subclause (II)  
8           may designate a contractor of such institution  
9           or state agency to receive return information on  
10          behalf of such institution or state agency to ad-  
11          minister aspects of the institution’s or state  
12          agency’s activities for the application, award,  
13          and administration of such financial aid.”, and

14          (B) by adding at the end the following:

15                 “(iv) REDISCLOSURE TO OFFICE OF  
16                 INSPECTOR GENERAL, INDEPENDENT  
17                 AUDITORS, AND CONTRACTORS.—Any re-  
18                 turn information which is redisclosed  
19                 under clause (iii)—

20                         “(I) may be further disclosed by  
21                         persons described in subclauses (I),  
22                         (II), or (III) of clause (iii) or persons  
23                         designated in the last sentence of  
24                         clause (iii) to the Office of Inspector  
25                         General of the Department of Edu-

1 cation and independent auditors con-  
2 ducting audits of such person's ad-  
3 ministration of the programs for  
4 which the return information was re-  
5 ceived, and

6 “(II) may be further disclosed by  
7 persons described in subclauses (I),  
8 (II), or (III) of clause (iii) to contrac-  
9 tors of such entities,

10 but only to the extent necessary in car-  
11 rying out the purposes described in such  
12 clause (iii).

13 “(v) REDISCLOSURE TO FAMILY MEM-  
14 BERS.—In addition to the purposes for  
15 which information is disclosed and used  
16 under subparagraphs (A) and (C), or re-  
17 disclosed under clause (iii), any return in-  
18 formation so disclosed or redisclosed may  
19 be further disclosed to any individual cer-  
20 tified by the Secretary of Education as  
21 having provided approval under paragraph  
22 (1) or (2) of section 494(a) of the Higher  
23 Education Act of 1965, as the case may  
24 be, for disclosure related to the income-  
25 contingent or income-based repayment plan

1 under subparagraph (A) or the eligibility  
2 for, and amount of, Federal student finan-  
3 cial aid described in subparagraph (C).

4 “(vi) REDISCLOSURE OF FAFSA IN-  
5 FORMATION.—Return information received  
6 under subparagraph (C) may be redis-  
7 closed in accordance with subsection (c) of  
8 section 494 of the Higher Education Act  
9 of 1965 (as in effect on the date of enact-  
10 ment of the COVID-related Tax Relief Act  
11 of 2020) to carry out the purposes speci-  
12 fied in such subsection.”.

13 (2) CONFORMING AMENDMENT.—Subparagraph  
14 (F) of section 6103(l)(13) is amended by inserting  
15 “, and any redisclosure authorized under clause (iii),  
16 (iv) (v), or (vi) of subparagraph (D),” after “ or  
17 (C)”.

18 (3) CONFIDENTIALITY OF RETURN INFORMA-  
19 TION.—

20 (A) Section 6103(a)(3), as amended by  
21 section 3516(a)(1) of the CARES Act, is  
22 amended by striking “(13)(A), (13)(B),  
23 (13)(C), (13)(D)(i),” and inserting “(13) (other  
24 than subparagraphs (D)(v) and (D)(vi) there-  
25 of),”.

1 (B) Section 6103(p)(3)(A), as amended by  
2 section 3516(a)(2) of such Act, is amended by  
3 striking “(13)(A), (13)(B), (13)(C),  
4 (13)(D)(i),” and inserting “(13)(D)(iv),  
5 (13)(D)(v), (13)(D)(vi)”.

6 (4) EFFECTIVE DATE.—The amendments made  
7 by this subsection shall apply to disclosures made  
8 after the date of the enactment of the FUTURE Act  
9 (Public Law 116–91).

10 (b) AMENDMENTS TO THE HIGHER EDUCATION ACT  
11 OF 1965.—

12 (1) IN GENERAL.—Section 494 of the Higher  
13 Education Act of 1965 (20 U.S.C. 1098h(a)) is  
14 amended—

15 (A) in subsection (a)(1)—

16 (i) in the matter preceding subpara-  
17 graph (A), by inserting “, including return  
18 information,” after “financial informa-  
19 tion”;

20 (ii) in subparagraph (A)—

21 (I) in clause (i)—

22 (aa) by striking “subpara-  
23 graph (B), the” and inserting the  
24 following: “subparagraph (B)—  
25 “(I) the”; and

1 (bb) by adding at the end  
2 the following:

3 “(II) the return information of  
4 such individuals may be redisclosed  
5 pursuant to clauses (iii), (iv), (v), and  
6 (vi) of section 6103(l)(13)(D) of the  
7 Internal Revenue Code of 1986, for  
8 the relevant purposes described in  
9 such section; and”;

10 (II) in clause (ii), by striking  
11 “such disclosure” and inserting “the  
12 disclosures described in subclauses (I)  
13 and (II) of clause (i)”;

14 (iii) in subparagraph (B), by striking  
15 “disclosure described in subparagraph  
16 (A)(i)” and inserting “disclosures de-  
17 scribed in subclauses (I) and (II) of sub-  
18 paragraph (A)(i)”;

19 (B) in subsection (a)(2)(A)(ii), by striking  
20 “affirmatively approve the disclosure described  
21 in paragraph (1)(A)(i) and agree that such ap-  
22 proval shall serve as an ongoing approval of  
23 such disclosure until the date on which the indi-  
24 vidual elects to opt out of such disclosure” and  
25 inserting “affirmatively approve the disclosures

1 described in subclauses (I) and (II) of para-  
2 graph (1)(A)(i), to the extent applicable, and  
3 agree that such approval shall serve as an ongo-  
4 ing approval of such disclosures until the date  
5 on which the individual elects to opt out of such  
6 disclosures”; and

7 (C) by adding at the end the following:

8 “(c) ACCESS TO FAFSA INFORMATION.—

9 “(1) REDISCLOSURE OF INFORMATION.—The  
10 information in a complete, unredacted Student Aid  
11 Report (including any return information disclosed  
12 under section 6103(l)(13) of the Internal Revenue  
13 Code of 1986 (26 U.S.C. 6103(l)(13))) with respect  
14 to an application described in subsection (a)(1) of an  
15 applicant for Federal student financial aid—

16 “(A) upon request for such information by  
17 such applicant, shall be provided to such appli-  
18 cant by—

19 “(i) the Secretary; or

20 “(ii) in a case in which the Secretary  
21 has requested that institutions of higher  
22 education carry out the requirements of  
23 this subparagraph, an institution of higher  
24 education that has received such informa-  
25 tion; and

1           “(B) with the written consent by the appli-  
2           cant to an institution of higher education, may  
3           be provided by such institution of higher edu-  
4           cation as is necessary to a scholarship granting  
5           organization (including a tribal organization  
6           (defined in section 4 of the Indian Self-Deter-  
7           mination and Education Assistance Act (25  
8           U.S.C. 5304))), or to an organization assisting  
9           the applicant in applying for and receiving Fed-  
10          eral, State, local, or tribal assistance, that is  
11          designated by the applicant to assist the appli-  
12          cant in applying for and receiving financial as-  
13          sistance for any component of the applicant’s  
14          cost of attendance (defined in section 472) at  
15          that institution.

16          “(2) DISCUSSION OF INFORMATION.—A discus-  
17          sion of the information in an application described  
18          in subsection (a)(1) (including any return informa-  
19          tion disclosed under section 6103(l)(13) of the Inter-  
20          nal Revenue Code of 1986 (26 U.S.C. 6103(l)(13))  
21          of an applicant between an institution of higher edu-  
22          cation and the applicant may, with the written con-  
23          sent of the applicant, include an individual selected  
24          by the applicant (such as an advisor) to participate  
25          in such discussion.

1           “(3) RESTRICTION ON DISCLOSING INFORMA-  
2           TION.—A person receiving information under para-  
3           graph (1)(B) or (2) with respect to an applicant  
4           shall not use the information for any purpose other  
5           than the express purpose for which consent was  
6           granted by the applicant and shall not disclose such  
7           information to any other person without the express  
8           permission of, or request by, the applicant.

9           “(4) DEFINITIONS.—In this subsection:

10           “(A) STUDENT AID REPORT.—The term  
11           ‘Student Aid Report’ has the meaning given the  
12           term in section 668.2 of title 34, Code of Fed-  
13           eral Regulations (or successor regulations).

14           “(B) WRITTEN CONSENT.—The term  
15           ‘written consent’ means a separate, written doc-  
16           ument that is signed and dated (which may in-  
17           clude by electronic format) by an applicant,  
18           which—

19           “(i) indicates that the information  
20           being disclosed includes return information  
21           disclosed under section 6103(l)(13) of the  
22           Internal Revenue Code of 1986 (26 U.S.C.  
23           6103(l)(13)) with respect to the applicant;

24           “(ii) states the purpose for which the  
25           information is being disclosed; and

1                   “(iii) states that the information may  
2                   only be used for the specific purpose and  
3                   no other purposes.

4                   “(5) RECORD KEEPING REQUIREMENT.—An in-  
5                   stitution of higher education shall—

6                   “(A) keep a record of each written consent  
7                   made under this subsection for a period of at  
8                   least 3 years from the date of the student’s last  
9                   date of attendance at the institution; and

10                   “(B) make each such record readily avail-  
11                   able for review by the Secretary.”.

12                   (2) CONFORMING AMENDMENT.—Section  
13                   494(a)(3) of the Higher Education Act of 1965 (20  
14                   U.S.C. 1098h(a)(3)) is amended by striking “para-  
15                   graph (1)(A)(i)” both places the term appears and  
16                   inserting “paragraph (1)(A)(i)(I)”.

17 **SEC. 285. 2020 ELECTION TO TERMINATE TRANSFER PE-**  
18 **RIOD FOR QUALIFIED TRANSFERS FROM**  
19 **PENSION PLAN FOR COVERING FUTURE RE-**  
20 **TIREE COSTS.**

21                   (a) IN GENERAL.—Section 420(f) is amended by  
22 adding at the end the following new paragraph:

23                   “(7) ELECTION TO END TRANSFER PERIOD.—

24                   “(A) IN GENERAL.—In the case of an em-  
25                   ployer maintaining a plan which has made a

1 qualified future transfer under this subsection,  
2 such employer may, not later than December  
3 31, 2021, elect to terminate the transfer period  
4 with respect to such transfer effective as of any  
5 taxable year specified by the taxpayer that be-  
6 gins after the date of such election.

7 “(B) AMOUNTS TRANSFERRED TO PLAN  
8 ON TERMINATION.—Any assets transferred to a  
9 health benefits account, or an applicable life in-  
10 surance account, in a qualified future transfer  
11 (and any income allocable thereto) which are  
12 not used as of the effective date of the election  
13 to terminate the transfer period with respect to  
14 such transfer under subparagraph (A), shall be  
15 transferred out of the account to the transferor  
16 plan within a reasonable period of time. The  
17 transfer required by this subparagraph shall be  
18 treated as an employer reversion for purposes  
19 of section 4980 (other than subsection (d)  
20 thereof), unless before the end of the 5-year pe-  
21 riod beginning after the original transfer period  
22 an equivalent amount is transferred back to  
23 such health benefits account, or applicable life  
24 insurance account, as the case may be. Any  
25 such transfer back pursuant to the preceding

1 sentence may be made without regard to section  
2 401(h)(1).

3 “(C) MINIMUM COST REQUIREMENTS CON-  
4 TINUE.—The requirements of subsection (c)(3)  
5 and paragraph (2)(D) shall apply with respect  
6 to a qualified future transfer without regard to  
7 any election under subparagraph (A) with re-  
8 spect to such transfer.

9 “(D) MODIFIED MAINTENANCE OF FUND-  
10 ED STATUS DURING ORIGINAL TRANSFER PE-  
11 RIOD.—The requirements of paragraph (2)(B)  
12 shall apply without regard to any such election,  
13 and clause (i) thereof shall be applied by sub-  
14 stituting ‘100 percent’ for ‘120 percent’ during  
15 the original transfer period.

16 “(E) CONTINUED MAINTENANCE OF FUND-  
17 ING STATUS AFTER ORIGINAL TRANSFER PE-  
18 RIOD.—

19 “(i) IN GENERAL.—In the case of a  
20 plan with respect to which there is an ex-  
21 cess described in paragraph (2)(B)(ii) as of  
22 the valuation date of the plan year in the  
23 last year of the original transfer period,  
24 paragraph (2)(B) shall apply for 5 years  
25 after the original transfer period in the

1 same manner as during a transfer period  
 2 by substituting the applicable percentage  
 3 for ‘120 percent’ in clause (i) thereof.

4 “(ii) APPLICABLE PERCENTAGE.—For  
 5 purposes of this subparagraph, the applica-  
 6 ble percentage shall be determined under  
 7 the following table:

**“For the valuation date of the plan year in the following year after the original transfer period: The applicable percentage is:**

|           |             |
|-----------|-------------|
| 1st ..... | 104 percent |
| 2nd ..... | 108 percent |
| 3rd ..... | 112 percent |
| 4th ..... | 116 percent |
| 5th ..... | 120 percent |

8 “(iii) EARLY TERMINATION OF CON-  
 9 TINUED MAINTENANCE PERIOD WHEN 120  
 10 PERCENT FUNDING REACHED.—If, as of  
 11 the valuation date of any plan year in the  
 12 first 4 years after the original transfer pe-  
 13 riod with respect to a qualified future  
 14 transfer, there would be no excess deter-  
 15 mined under this subparagraph were the  
 16 applicable percentage 120 percent, then  
 17 this subparagraph shall cease to apply with  
 18 respect to the plan.

19 “(F) ORIGINAL TRANSFER PERIOD.—For  
 20 purposes of this paragraph, the term ‘original  
 21 transfer period’ means the transfer period

1 under this subsection with respect to a qualified  
2 future transfer determined without regard to  
3 the election under subparagraph (A).”.

4 (b) **EFFECTIVE DATE.**—The amendments made by  
5 this section shall apply to taxable years beginning after  
6 December 31, 2019.

7 **SEC. 286. EXTENSION OF CREDITS FOR PAID SICK AND**  
8 **FAMILY LEAVE.**

9 (a) **IN GENERAL.**—Sections 7001(g), 7002(e),  
10 7003(g), and 7004(e) of the Families First Coronavirus  
11 Response Act are each amended by striking “December  
12 31, 2020” and inserting “March 31, 2021”.

13 (b) **COORDINATION WITH TERMINATION OF MAN-**  
14 **DATE.**—

15 (1) **PAYROLL CREDIT FOR PAID SICK LEAVE.**—  
16 Section 7001(c) of the Families First Coronavirus  
17 Response Act is amended by striking “paid by an  
18 employer which” and all that follows and inserting  
19 “paid by an employer—

20 “(1) which are required to be paid by reason of  
21 the Emergency Paid Sick Leave Act, or

22 “(2) both—

23 “(A) which would be so required to be paid  
24 if such Act were applied—

1           “(i) by substituting ‘March 31, 2021’  
2           for ‘December 31, 2020’ in section 5109  
3           thereof, and

4           “(ii) without regard to section  
5           5102(b)(3) thereof, and

6           “(B) with respect to which all require-  
7           ments of such Act (other than subsections (a)  
8           and (b) of section 5105 thereof, and determined  
9           by substituting ‘To be compliant with section  
10          5102, an employer may not’ for ‘It shall be un-  
11          lawful for any employer to’ in section 5104  
12          thereof) which would apply if so required are  
13          satisfied.”.

14          (2) CREDIT FOR SICK LEAVE OF SELF-EM-  
15          PLOYED INDIVIDUALS.—Section 7002(b)(2) of the  
16          Families First Coronavirus Response Act is amend-  
17          ed to read as follows:

18           “(2) either—

19           “(A) would be entitled to receive paid leave  
20           during the taxable year pursuant to the Emer-  
21           gency Paid Sick Leave Act if the individual  
22           were an employee of an employer (other than  
23           himself or herself), or

24           “(B) would be so entitled if—

1                   “(i) such Act were applied by sub-  
2                   stituting ‘March 31, 2021’ for ‘December  
3                   31, 2020’ in section 5109 thereof, and

4                   “(ii) the individual were an employee  
5                   of an employer (other than himself or her-  
6                   self).”.

7                   (3) PAYROLL CREDIT FOR PAID FAMILY  
8                   LEAVE.—Section 7003(e) of the Families First  
9                   Coronavirus Response Act is amended by striking  
10                  “paid by an employer which” and all that follows  
11                  and inserting “paid by an employer—

12                  “(1) which are required to be paid by reason of  
13                  the Emergency Family and Medical Leave Expan-  
14                  sion Act (including the amendments made by such  
15                  Act), or

16                  “(2) both—

17                         “(A) which would be so required to be paid  
18                         if section 102(a)(1)(F) of the Family and Med-  
19                         ical Leave Act of 1993, as amended by the  
20                         Emergency Family and Medical Leave Expan-  
21                         sion Act, were applied by substituting ‘March  
22                         31, 2021’ for ‘December 31, 2020’, and

23                         “(B) with respect to which all require-  
24                         ments of the Family and Medical Leave Act of  
25                         1993 (other than section 107 thereof, and de-

1           terminated by substituting ‘To be compliant with  
2           section 102(a)(1)(F), an employer may not’ for  
3           ‘It shall be unlawful for any employer to’ each  
4           place it appears in subsection (a) of section 105  
5           thereof, by substituting ‘made unlawful in this  
6           title or described in this section’ for ‘made un-  
7           lawful by this title’ in paragraph (2) of such  
8           subsection, and by substituting ‘To be compli-  
9           ant with section 102(a)(1)(F), an employer may  
10          not’ for ‘It shall be unlawful for any person to’  
11          in subsection (b) of such section) which relate  
12          to such section 102(a)(1)(F), and which would  
13          apply if so required, are satisfied.”.

14           (4) CREDIT FOR FAMILY LEAVE OF SELF-EM-  
15          PLOYED INDIVIDUALS.—Section 7004(b)(2) of the  
16          Families First Coronavirus Response Act is amend-  
17          ed to read as follows:

18           “(2) either—

19                   “(A) would be entitled to receive paid leave  
20                   during the taxable year pursuant to the Emer-  
21                   gency Family and Medical Leave Expansion Act  
22                   if the individual were an employee of an em-  
23                   ployer (other than himself or herself), or

24                   “(B) would be so entitled if—

1 “(i) section 102(a)(1)(F) of the Fam-  
2 ily and Medical Leave Act of 1993, as  
3 amended by the Emergency Family and  
4 Medical Leave Expansion Act, were applied  
5 by substituting ‘March 31, 2021’ for ‘De-  
6 cember 31, 2020’, and

7 “(ii) the individual were an employee  
8 of an employer (other than himself or her-  
9 self).”.

10 (5) COORDINATION WITH CERTAIN EMPLOY-  
11 MENT TAXES.—Section 7005(a) of the Families  
12 First Coronavirus Response Act is amended by in-  
13 sserting “(or, in the case of wages paid after Decem-  
14 ber 31, 2020, and before April 1, 2021, with respect  
15 to which a credit is allowed under section 7001 or  
16 7003)” before “shall not be considered”.

17 (c) EFFECTIVE DATE.—The amendments made by  
18 this section shall take effect as if included in the provisions  
19 of the Families First Coronavirus Response Act to which  
20 they relate.

1 **SEC. 287. ELECTION TO USE PRIOR YEAR NET EARNINGS**  
2 **FROM SELF-EMPLOYMENT IN DETERMINING**  
3 **AVERAGE DAILY SELF-EMPLOYMENT INCOME**  
4 **FOR PURPOSES OF CREDITS FOR PAID SICK**  
5 **AND FAMILY LEAVE.**

6 (a) CREDIT FOR SICK LEAVE.—Section 7002(c) of  
7 the Families First Coronavirus Response Act is amended  
8 by adding at the end the following new paragraph:

9 “(4) ELECTION TO USE PRIOR YEAR NET EARN-  
10 INGS FROM SELF-EMPLOYMENT INCOME.—In the  
11 case of an individual who elects (at such time and  
12 in such manner as the Secretary, or the Secretary’s  
13 delegate, may provide) the application of this para-  
14 graph, paragraph (2)(A) shall be applied by sub-  
15 stituting ‘the prior taxable year’ for ‘the taxable  
16 year’.”.

17 (b) CREDIT FOR FAMILY LEAVE.—Section 7004(c)  
18 of the Families First Coronavirus Response Act is amend-  
19 ed by adding at the end the following new paragraph:

20 “(4) ELECTION TO USE PRIOR YEAR NET EARN-  
21 INGS FROM SELF-EMPLOYMENT INCOME.—In the  
22 case of an individual who elects (at such time and  
23 in such manner as the Secretary, or the Secretary’s  
24 delegate, may provide) the application of this para-  
25 graph, paragraph (2)(A) shall be applied by sub-



1       Coronavirus Response Act are each amended by  
2       striking “Any term” and inserting “Except as other-  
3       wise provided in this section, any term”.

4       (b) COORDINATION WITH EXCLUSION FROM EM-  
5       PLOYMENT TAXES.—Sections 7001(c) and 7003(c) of the  
6       Families First Coronavirus Response Act, as amended by  
7       subsection (a), are each amended—

8               (1) by inserting “and section 7005(a) of this  
9       Act,” after “determined without regard to para-  
10      graphs (1) through (22) of section 3121(b) of such  
11      Code”, and

12              (2) by inserting “and without regard to section  
13      7005(a) of this Act” after “which begins ‘Such term  
14      does not include remuneration’ ”.

15      (c) CLARIFICATION OF APPLICABLE RAILROAD RE-  
16      TIREMENT TAX FOR PAID LEAVE CREDITS.—Sections  
17      7001(e) and 7003(e) of the Families First Coronavirus  
18      Response Act, as amended by the preceding provisions of  
19      this Act, are each amended by adding at the end the fol-  
20      lowing new paragraph:

21              “(4) REFERENCES TO RAILROAD RETIREMENT  
22      TAX.—Any reference in this section to the tax im-  
23      posed by section 3221(a) of the Internal Revenue  
24      Code of 1986 shall be treated as a reference to so

1 much of such tax as is attributable to the rate in ef-  
2 fect under section 3111(a) of such Code.”.

3 (d) CLARIFICATION OF TREATMENT OF PAID LEAVE  
4 FOR APPLICABLE RAILROAD RETIREMENT TAX.—Section  
5 7005(a) of the Families First Coronavirus Response Act  
6 is amended by adding the following sentence at the end  
7 of such subsection: “Any reference in this subsection to  
8 the tax imposed by section 3221(a) of such Code shall be  
9 treated as a reference to so much of the tax as is attrib-  
10 utable to the rate in effect under section 3111(a) of such  
11 Code.”.

12 (e) CLARIFICATION OF APPLICABLE RAILROAD RE-  
13 TIREMENT TAX FOR HOSPITAL INSURANCE TAX CRED-  
14 IT.—Section 7005(b)(1) of the Families First Coronavirus  
15 Response Act is amended to read as follows:

16 “(1) IN GENERAL.—The credit allowed by sec-  
17 tion 7001 and the credit allowed by section 7003  
18 shall each be increased by the amount of the tax im-  
19 posed by section 3111(b) of the Internal Revenue  
20 Code of 1986 and so much of the taxes imposed  
21 under section 3221(a) of such Code as are attrib-  
22 utable to the rate in effect under section 3111(b) of  
23 such Code on qualified sick leave wages, or qualified  
24 family leave wages, for which credit is allowed under  
25 such section 7001 or 7003 (respectively).”.

1 (f) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect as if included in the provisions  
3 of the Families First Coronavirus Response Act to which  
4 they relate.

5 **TITLE III—CONTINUING THE**  
6 **PAYCHECK PROTECTION**  
7 **PROGRAM AND OTHER SMALL**  
8 **BUSINESS SUPPORT**

9 **SEC. 301. SHORT TITLE.**

10 This title may be cited as the “Economic Aid to  
11 Hard-Hit Small Businesses, Nonprofits, and Venues Act”.

12 **SEC. 302. DEFINITIONS.**

13 In this Act:

14 (1) ADMINISTRATION; ADMINISTRATOR.—The  
15 terms “Administration” and “Administrator” mean  
16 the Small Business Administration and the Adminis-  
17 trator thereof, respectively.

18 (2) SMALL BUSINESS CONCERN.—The term  
19 “small business concern” has the meaning given the  
20 term in section 3 of the Small Business Act (15  
21 U.S.C. 632).

22 **SEC. 303. EMERGENCY RULEMAKING AUTHORITY.**

23 Not later than 10 days after the date of enactment  
24 of this Act, the Administrator shall issue regulations to  
25 carry out this Act and the amendments made by this Act