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111TH CONGRESS, 2d Session | HOUSE OF REPRESENTATIVES | REPORT 111–455

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 4849) TO AMEND THE INTERNAL REVENUE CODE OF 1986 TO PROVIDE TAX INCENTIVES FOR SMALL BUSINESS JOB CREATION, EXTEND THE BUILD AMERICA BONDS PROGRAM, PROVIDE OTHER INFRASTRUCTURE JOB CREATION TAX INCENTIVES, AND FOR OTHER PURPOSES

MARCH 22, 2010.—Referred to the House Calendar and ordered to be printed

Mr. CARDOZA, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 1205]

The Committee on Rules, having had under consideration House Resolution 1205, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 4849, the "Small Business and Infrastructure Jobs Tax Act of 2010," under a closed rule providing one hour of general debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The resolution waives all points of order against consideration of the bill except for clauses 9 and 10 of rule XXI. The amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill, modified by the amendment printed in this report, shall be considered as adopted. The resolution waives all points of order against provisions of the bill, as amended. This waiver does not affect the point of order available under clause 9 of rule XXI (regarding earmark disclosure). The resolution provides that the bill, as amended, shall be considered as read. The resolution provides one motion to recommit with or without instructions.

EXPLANATION OF WAIVERS

The waiver of all points of order against consideration of the bill (except those arising under clause 9 or 10 of rule XXI) includes a waiver of clause 4(a) of rule XIII (regarding availability of committee report). Although the resolution waives all points of order against the bill, as amended, the Committee is not aware of any points of order. The waiver of all points of order is prophylactic.

89–008

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 397

Date: March 22, 2010.
Measure: H.R. 4849.
Motion by: Mr. Dreier.
Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Camp (MI), #2, which would replace the provisions in the bill with a deduction for small business income. Offset by eliminating the tax benefit going to companies burning "Black Liquor."
Results: Defeated 3–6.
Vote by Members: McGovern—Nay; Cardoza—Nay; Arcuri—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Sessions—Yea; Foxx—Yea.

Rules Committee record vote No. 398

Date: March 22, 2010.
Measure: H.R. 4849.
Motion by: Mr. Sessions.
Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Brady (TX), #3, which would strike section 301 of the bill (relating to limitation on treaty benefits for certain deductible payments).
Results: Defeated 3–7.
Vote by Members: McGovern—Nay; Matsui—Nay; Cardoza—Nay; Arcuri—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Sessions—Yea; Foxx—Yea.

Rules Committee record vote No. 399

Date: March 22, 2010.
Measure: H.R. 4849.
Motion by: Mr. Sessions.
Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Reichert (WA), #4, which would extend the current 15 percent capital gains and dividends tax rate through December 31, 2012.
Results: Defeated 3–7.
Vote by Members: McGovern—Nay; Matsui—Nay; Cardoza—Nay; Arcuri—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Sessions—Yea; Foxx—Yea.

Rules Committee record vote No. 400

Date: March 22, 2010.
Measure: H.R. 4849.
Motion by: Dr. Foxx.
Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Reichert (WA), #5, which would extend the current marginal income tax rates through December 31, 2012.
Results: Defeated 3–7.

Vote by Members: McGovern—Nay; Matsui—Nay; Cardoza—Nay; Arcuri—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Sessions—Yea; Foxx—Yea.

SUMMARY OF THE AMENDMENT CONSIDERED TO BE ADOPTED

The amendment would extend the TANF Emergency Contingency Fund for one year. This Fund was established by the Recovery Act and is expiring on September 30th and currently assists States in providing assistance to needy families and in establishing or expanding subsidized jobs programs. The amendment also would exclude a highly corrosive waste by product of the paper manufacturing process, known as crude tall oil, from qualifying for the $1.01 per gallon cellulosic biofuel tax credit. The amendment would also allow the federal government to impose a levy on payments to Federal contractors that are delinquent on paying their federal taxes prior to a collection due process hearing. The proposal would allow the IRS to proceed with its levy for federal taxes earlier in the debt collection process, and would apply to contractors' entire tax liability.

TEXT OF THE AMENDMENT TO BE CONSIDERED AS ADOPTED

Strike section 306 and insert the following (and amend the table of contents accordingly):

SEC. 306. APPLICATION OF CONTINUOUS LEVY TO TAX LIABILITIES OF CERTAIN FEDERAL CONTRACTORS.

(a) IN GENERAL.—Subsection (f) of section 6330 is amended by striking "or" at the end of paragraph (2), by inserting "or" at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

"(4) the Secretary has served a Federal contractor levy,".

(b) FEDERAL CONTRACTOR LEVY.—Subsection (h) of section 6330 is amended—

(1) by striking all that precedes "any levy in connection with the collection" and inserting the following:

"(h) DEFINITIONS RELATED TO EXCEPTIONS.—For purposes of subsection (f)—

"(1) DISQUALIFIED EMPLOYMENT TAX LEVY.—A disqualified employment tax levy is", and

(2) by adding at the end the following new paragraph:

"(2) FEDERAL CONTRACTOR LEVY.—A Federal contractor levy is any levy if the person whose property is subject to the levy (or any predecessor thereof) is a Federal contractor.".

(c) CONFORMING AMENDMENT.—The heading of subsection (f) of section 6330 is amended by striking "JEOPARDY AND STATE REFUND COLLECTION" and inserting "EXCEPTIONS".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued after December 31, 2010.

At the end of title III, add the following (and amend the table of contents accordingly):

SEC. 309. CRUDE TALL OIL INELIGIBLE FOR CELLULOSIC BIOFUEL PRODUCER CREDIT.

(a) IN GENERAL.—Section 40(B)(6)(E) of the Internal Revenue Code of 1986 is amended by adding at the end the following new clause:

"(iv) EXCLUSION OF CERTAIN PROCESSED FUELS WITH A HIGH ACID CONTENT.—The term 'cellulosic biofuel' shall not include any processed fuel with an acid number greater than 25. For purposes of the preceding sentence, the term 'processed fuel' means any fuel other than a fuel—

"(I) more than 4 percent of which (determined by weight) is any combination of water and sediment, or

"(II) the ash content of which is more than 1 percent (determined by weight).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to fuels sold or used on or after January 1, 2010.

SEC. 310. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

(a) SHIFT FROM 2015 TO 2014.—The percentage under paragraph (1) of section 202(b) of the Corporate Estimated Tax Shift Act of 2009 in effect on the date of the enactment of this Act is increased by 4.5 percentage points.

(b) SHIFT FROM 2016 TO 2015.—The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 3.5 percentage points.

(c) SHIFT FROM 2020 TO 2019.—The percentage under paragraph (3) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 1.25 percentage points.

At the end of the bill, add the following (and amend the table of contents accordingly):

TITLE IV—EXTENSION OF EMERGENCY CONTINGENCY FUND FOR STATE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAMS

SEC. 401. 1-YEAR EXTENSION OF THE EMERGENCY CONTINGENCY FUND FOR STATE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAMS.

(a) IN GENERAL.—Section 403(c) of the Social Security Act (42 U.S.C. 603(c)) is amended—

(1) in paragraph (2)(A), by inserting ", and for fiscal year 2011, $2,500,000,000" before "for payment";

(2) by striking paragraph (2)(B) and inserting the following:

"(B) AVAILABILITY AND USE OF FUNDS.—

"(i) FISCAL YEARS 2009 AND 2010.—The amounts appropriated to the Emergency Fund under subparagraph (A) for fiscal year 2009 shall remain available through fiscal year 2010 and shall be used to make grants to States in each of fiscal years 2009 and 2010 in accordance with the requirements of paragraph (3).

"(ii) FISCAL YEAR 2011.—Subject to clause (iii), the amounts appropriated to the Emergency Fund under subparagraph (A) for fiscal year 2011 shall remain available through fiscal year 2012 and shall be used to

make grants to States based on expenditures in fiscal year 2011 for benefits and services provided in fiscal year 2011 in accordance with the requirements of paragraph (3).

"(iii) RESERVATION OF FUNDS.—Of the amounts appropriated to the Emergency Fund under subparagraph (A) for fiscal year 2011, $500,000 shall be placed in reserve for use in fiscal year 2012, and shall be used to award grants for any expenditures described in this subsection incurred by States after September 30, 2011.";

(3) in paragraph (2)(C), by striking "2010" and inserting "2012";

(4) in paragraph (3)—

(A) in clause (i) of each of subparagraphs (A), (B), and (C)—

(i) by striking "year 2009 or 2010" and inserting "years 2009 through 2011";

(ii) by striking "and" at the end of subclause (I);

(iii) by striking the period at the end of subclause (II) and inserting "; and"; and

(iv) by adding at the end the following:

"(III) if the quarter is in fiscal year 2011, has provided the Secretary with such information as the Secretary may find necessary in order to make the determinations, or take any other action, described in paragraph (5)(C).."; and

(B) in subparagraph (C), by adding at the end the following:

"(iv) LIMITATION ON EXPENDITURES FOR SUBSIDIZED EMPLOYMENT.—An expenditure for subsidized employment shall be taken into account under clause (ii) only if the expenditure is used to subsidize employment for—

"(I) a member of a needy family (without regard to whether the family is receiving assistance under the State program funded under this part); or

"(II) an individual who has exhausted (or, within 60 days, will exhaust) all rights to receive unemployment compensation under Federal and State law, and who is a member of a needy household (regardless of whether the household includes a child).";

(5) by striking paragraph (5) and inserting the following:

"(5) LIMITATIONS ON PAYMENTS; ADJUSTMENT AUTHORITY.—

"(A) FISCAL YEARS 2009 AND 2010.—The total amount payable to a single State under subsection (b) and this subsection for fiscal years 2009 and 2010 combined shall not exceed 50 percent of the annual State family assistance grant.

"(B) FISCAL YEAR 2011.—Subject to subparagraph (C), the total amount payable to a single State under subsection (b) and this subsection for fiscal year 2011 shall not exceed 30 percent of the annual State family assistance grant.

"(C) ADJUSTMENT AUTHORITY.—If the Secretary determines that the Emergency Fund is at risk of being depleted before September 30, 2011, or that funds are available to accommodate additional State requests under this subsection, the Secretary may, through program instructions issued without regard to the requirements of section 553 of title 5, United States Code—

"(i) specify priority criteria for awarding grants to States during fiscal year 2011; and

"(ii) adjust the percentage limitation applicable under subparagraph (B) with respect to the total amount payable to a single State for fiscal year 2011."; and

(6) in paragraph (6), by inserting "or for expenditures described in paragraph (3)(C)(iv)" before the period.

(b) CONFORMING AMENDMENTS.—Section 2101 of division B of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) is amended—

(1) in subsection (a)(2)—

(A) by striking "2010" and inserting "2011"; and

(B) by striking all that follows "repealed" and inserting a period; and

(2) in subsection (d)(1), by striking "2010" and inserting "2011".

(c) PROGRAM GUIDANCE.—The Secretary of Health and Human Services shall issue program guidance, without regard to the requirements of section 553 of title 5, United States Code, which ensures that the funds provided under the amendments made by this section for subsidized employment do not support any subsidized employment position the annual salary of which is greater than, at State option—

(1) 200 percent of the poverty line (within the meaning of section 673(2) of the Omnibus Budget Reconciliation Act of 1981, including any revision required by such section 673(2)) for a family of 4; or

(2) the median wage in any jurisdiction operating a program with funds provided pursuant to the amendments.

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