

116TH CONGRESS
2D SESSION

H. R. 6920

To temporarily suspend payroll taxes during the emergency relating to
COVID–19.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2020

Mr. SPANO introduced the following bill; which was referred to the Committee
on Ways and Means

A BILL

To temporarily suspend payroll taxes during the emergency
relating to COVID–19.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Keep Employees’
5 Earnings Protected Act of 2020”.

6 **SEC. 2. TEMPORARY SUSPENSION OF PAYROLL TAXES.**

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

9 (1) with respect to any taxable year which be-
10 gins in the payroll tax suspension period, the rate of

1 tax under section 1401(a) of the Internal Revenue
2 Code of 1986 shall be 0 percent,

3 (2) with respect to remuneration received for
4 pay periods ending during the payroll tax suspension
5 period, the rate of tax under 3101(a) of such Code
6 shall be 0 percent (including for purposes of deter-
7 mining the applicable percentage under sections
8 3201(a) and 3211(a)(1) of such Code), and

9 (3) with respect to remuneration paid for pay
10 periods ending during the payroll tax suspension pe-
11 riod, the rate of tax under section 3111(a) of such
12 Code shall be 0 percent (including for purposes of
13 determining the applicable percentage under section
14 3221(a) of such Code).

15 (b) PAYROLL TAX SUSPENSION PERIOD.—The term
16 “payroll tax suspension period” means the period begin-
17 ning on the date of the enactment of this Act and ending
18 either—

19 (1) 90 days later, or

20 (2) with the termination of the emergency in-
21 volving Federal primary responsibility determined to
22 exist by the President under the section 501(b) of
23 the Robert T. Stafford Disaster Relief and Emer-
24 gency Assistance Act (42 U.S.C. 5191(b)) with re-
25 spect to the Coronavirus Disease 2019 (COVID–19),

1 whichever is shorter.

2 (c) EMPLOYER NOTIFICATION.—The Secretary of the
3 Treasury (or the Secretary’s delegate) shall notify employ-
4 ers of the payroll tax suspension period in any manner
5 the Secretary (or the Secretary’s delegate) deems appro-
6 priate.

7 (d) TRANSFERS OF FUNDS.—

8 (1) TRANSFERS TO FEDERAL OLD-AGE AND
9 SURVIVORS INSURANCE TRUST FUND.—There are
10 hereby appropriated to the Federal Old-Age and
11 Survivors Trust Fund and the Federal Disability In-
12 surance Trust Fund established under section 201
13 of the Social Security Act (42 U.S.C. 401) amounts
14 equal to the reduction in revenues to the Treasury
15 by reason of the application of subsection (a).
16 Amounts appropriated by the preceding sentence
17 shall be transferred from the general fund at such
18 times and in such manner as to replicate to the ex-
19 tent possible the transfers which would have oc-
20 curred to such Trust Fund had such amendments
21 not been enacted.

22 (2) TRANSFERS TO SOCIAL SECURITY EQUIVA-
23 LENT BENEFIT ACCOUNT.— There are hereby appro-
24 priated to the Social Security Equivalent Benefit Ac-
25 count established under section 15A(a) of the Rail-

1 road Retirement Act of 1974 (45 U.S.C. 231n–1(a))
2 amounts equal to the reduction in revenues to the
3 Treasury by reason of the application of subsection
4 (a). Amounts appropriated by the preceding sentence
5 shall be transferred from the general fund at such
6 times and in such manner as to replicate to the ex-
7 tent possible the transfers which would have oc-
8 curred to such Account had such amendments not
9 been enacted.

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

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