

AMENDMENT NO. _____ Calendar No. _____

Purpose: To amend the Internal Revenue Code of 1986 to provide additional recovery rebates to individuals.

IN THE SENATE OF THE UNITED STATES—116th Cong., 2d Sess.

H. R. 8900

Making further continuing appropriations for fiscal year 2021, and for other purposes.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. SANDERS (for himself and Mr. HAWLEY)

Viz:

1 At the appropriate place, insert the following:

2 **SEC. _____ . ADDITIONAL RECOVERY REBATES FOR INDI-**
3 **VIDUALS.**

4 (a) IN GENERAL.—Subchapter B of chapter 65 of
5 subtitle F of the Internal Revenue Code of 1986 is amend-
6 ed by inserting after section 6428 the following new sec-
7 tion:

8 **“SEC. 6428A. ADDITIONAL RECOVERY REBATES FOR INDI-**
9 **VIDUALS.**

10 “(a) IN GENERAL.—In the case of an eligible indi-
11 vidual, there shall be allowed as a credit against the tax

1 imposed by subtitle A for the first taxable year beginning
2 in 2020 an amount equal to the sum of—

3 “(1) \$1,200 (\$2,400 in the case of eligible indi-
4 viduals filing a joint return), plus

5 “(2) an amount equal to the product of \$500
6 multiplied by the number of dependents (as defined
7 in section 152) of the taxpayer.

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

11 “(c) LIMITATION BASED ON ADJUSTED GROSS IN-
12 COME.—The amount of the credit allowed by subsection
13 (a) (determined without regard to this subsection and sub-
14 section (e)) shall be reduced (but not below zero) by 5
15 percent of so much of the taxpayer’s adjusted gross in-
16 come as exceeds—

17 “(1) \$150,000 in the case of a joint return,

18 “(2) \$112,500 in the case of a head of house-
19 hold, and

20 “(3) \$75,000 in the case of a taxpayer not de-
21 scribed in paragraph (1) or (2).

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

25 “(1) any nonresident alien individual,

1 “(2) any individual with respect to whom a de-
2 duction under section 151 is allowable to another
3 taxpayer for a taxable year beginning in the cal-
4 endar year in which the individual’s taxable year be-
5 gins, and

6 “(3) an estate or trust.

7 “(e) COORDINATION WITH ADVANCE REFUNDS OF
8 CREDIT.—

9 “(1) IN GENERAL.—The amount of credit
10 which would (but for this paragraph) be allowable
11 under this section shall be reduced (but not below
12 zero) by the aggregate refunds and credits made or
13 allowed to the taxpayer under subsection (f). Any
14 failure to so reduce the credit shall be treated as
15 arising out of a mathematical or clerical error and
16 assessed according to section 6213(b)(1).

17 “(2) JOINT RETURNS.—In the case of a refund
18 or credit made or allowed under subsection (f) with
19 respect to a joint return, half of such refund or cred-
20 it shall be treated as having been made or allowed
21 to each individual filing such return.

22 “(f) ADVANCE REFUNDS AND CREDITS.—

23 “(1) IN GENERAL.—Subject to paragraph (5),
24 each individual who was an eligible individual for
25 such individual’s first taxable year beginning in

1 2019 shall be treated as having made a payment
2 against the tax imposed by chapter 1 for such tax-
3 able year in an amount equal to the advance refund
4 amount for such taxable year.

5 “(2) ADVANCE REFUND AMOUNT.—For pur-
6 poses of paragraph (1), the advance refund amount
7 is the amount that would have been allowed as a
8 credit under this section for such taxable year if this
9 section (other than subsection (e) and this sub-
10 section) had applied to such taxable year.

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

12 “(A) TIMING.—The Secretary shall, sub-
13 ject to the provisions of this title, refund or
14 credit any overpayment attributable to this sec-
15 tion as rapidly as possible. No refund or credit
16 shall be made or allowed under this subsection
17 after December 31, 2021.

18 “(B) DELIVERY OF PAYMENTS.—Notwith-
19 standing any other provision of law, the Sec-
20 retary may certify and disburse refunds payable
21 under this subsection electronically to any ac-
22 count to which the payee authorized, on or after
23 January 1, 2018, the delivery of a refund of
24 taxes under this title or of a Federal payment

1 (as defined in section 3332 of title 31, United
2 States Code).

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

18 “(4) NO INTEREST.—No interest shall be al-
19 lowed on any overpayment attributable to this sec-
20 tion.

21 “(5) ALTERNATE TAXABLE YEAR.—In the case
22 of an individual who, at the time of any determina-
23 tion made pursuant to paragraph (3), has not filed
24 a tax return for the year described in paragraph (1),
25 the Secretary may—

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

3 “(B) APPLICATION OF ENFORCEMENT
4 PROVISIONS.—

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

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

22 “(iii) In the case of a payment de-
23 scribed in subparagraph (A) which is made
24 with respect to a veterans beneficiary, sec-
25 tions 5502, 6106, and 6108 of title 38,

1 United States Code, shall apply to such
2 payment in the same manner as such sec-
3 tions apply to a payment under such title.

4 “(7) NOTICE TO TAXPAYER.—Not later than 15
5 days after the date on which the Secretary distrib-
6 uted any payment to an eligible taxpayer pursuant
7 to this subsection, notice shall be sent by mail to
8 such taxpayer’s last known address. Such notice
9 shall indicate the method by which such payment
10 was made, the amount of such payment, and a
11 phone number for the appropriate point of contact
12 at the Internal Revenue Service to report any failure
13 to receive such payment.

14 “(g) IDENTIFICATION NUMBER REQUIREMENT.—

15 “(1) IN GENERAL.—No credit shall be allowed
16 under subsection (a) to an eligible individual who
17 does not include on the return of tax for the taxable
18 year—

19 “(A) such individual’s valid identification
20 number,

21 “(B) in the case of a joint return, the valid
22 identification number of such individual’s
23 spouse, and

1 “(C) in the case of any dependent taken
2 into account under subsection (a)(2), the valid
3 identification number of such dependent.

4 “(2) VALID IDENTIFICATION NUMBER.—

5 “(A) IN GENERAL.—For purposes of para-
6 graph (1), the term ‘valid identification num-
7 ber’ means a social security number (as such
8 term is defined in section 24(h)(7)).

9 “(B) ADOPTION TAXPAYER IDENTIFICA-
10 TION NUMBER.—For purposes of paragraph
11 (1)(C), in the case of a dependent who is adopt-
12 ed or placed for adoption, the term ‘valid identi-
13 fication number’ shall include the adoption tax-
14 payer identification number of such dependent.

15 “(3) SPECIAL RULE FOR MEMBERS OF THE
16 ARMED FORCES.—Paragraph (1)(B) shall not apply
17 in the case where at least 1 spouse was a member
18 of the Armed Forces of the United States at any
19 time during the taxable year and at least 1 spouse
20 satisfies paragraph (1)(A).

21 “(4) MATHEMATICAL OR CLERICAL ERROR AU-
22 THORITY.—Any omission of a correct valid identi-
23 fication number required under this subsection shall
24 be treated as a mathematical or clerical error for

1 purposes of applying section 6213(g)(2) to such
2 omission.

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

8 (b) ADMINISTRATIVE AMENDMENTS.—

9 (1) DEFINITION OF DEFICIENCY.—Section
10 6211(b)(4)(A) of the Internal Revenue Code of 1986
11 is amended by striking “and 6428” and inserting
12 “6428, and 6428A”.

13 (2) MATHEMATICAL OR CLERICAL ERROR AU-
14 THORITY.—Section 6213(g)(2)(L) of such Code is
15 amended by striking “or 6428” and inserting “6428,
16 or 6428A”.

17 (c) TREATMENT OF POSSESSIONS.—

18 (1) PAYMENTS TO POSSESSIONS.—

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

1 based on information provided by the govern-
2 ment of the respective possession.

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

18 (2) COORDINATION WITH CREDIT ALLOWED
19 AGAINST UNITED STATES INCOME TAXES.—No cred-
20 it shall be allowed against United States income
21 taxes under section 6428A of the Internal Revenue
22 Code of 1986 (as added by this section) to any per-
23 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) EXCEPTION FROM REDUCTION, OFFSET, GAR-
4 NISHMENT, ETC.—

5 (1) IN GENERAL.—Any credit or refund allowed
6 or made to any individual by reason of section
7 6428A of the Internal Revenue Code of 1986 (as
8 added by this section) or by reason of subsection (c)
9 of this section shall not 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 (d), (e), or (f) of section 6402 of
15 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.—Any applicable pay-
21 ment shall not be subject to transfer, assign-
22 ment, execution, levy, attachment, garnishment,
23 or other legal process, or the operation of any
24 bankruptcy or insolvency law, to the same ex-
25 tent as payments described in section 207 of

1 the Social Security Act (42 U.S.C. 407) without
2 regard to subsection (b) thereof.

3 (B) ENCODING OF PAYMENTS.—As soon as
4 practicable after the date of the enactment of
5 this paragraph, the Secretary of the Treasury
6 shall encode applicable payments that are paid
7 electronically to any account—

8 (i) with a unique identifier that is rea-
9 sonably sufficient to allow a financial insti-
10 tution to identify the payment as a pay-
11 ment protected under subparagraph (A),
12 and

13 (ii) pursuant to the same specifica-
14 tions as required for a benefit payment to
15 which part 212 of title 31, Code of Federal
16 regulations applies.

17 (C) GARNISHMENT.—

18 (i) ENCODED PAYMENTS.—Upon re-
19 ceipt of a garnishment order that applies
20 to an account that has received an applica-
21 ble payment that is encoded as provided in
22 subparagraph (B), a financial institution
23 shall follow the requirements and proce-
24 dures set forth in part 212 of title 31,
25 Code of Federal Regulations. This para-

1 graph shall not alter the status of pay-
2 ments as tax refunds or other nonbenefit
3 payments for purpose of any reclamation
4 rights of the Department of Treasury or
5 the Internal Revenue Service as per part
6 210 of title 31 of the Code of Federal Reg-
7 ulations.

8 (ii) OTHER PAYMENTS.—If a financial
9 institution receives a garnishment order
10 (other than an order that has been served
11 by the United States) that applies to an
12 account into which an applicable payment
13 that has not been encoded as provided in
14 subparagraph (B) has been deposited on
15 any date in the prior 60 days (including
16 any date before the date of the enactment
17 of this paragraph), the financial institu-
18 tion, upon the request of the account hold-
19 er or for purposes of complying in good
20 faith with a State order, State law, court
21 order, or interpretation by a State Attor-
22 ney General relating to garnishment order,
23 may, but is not required to, treat the
24 amount of the payment as exempt under
25 law from garnishment without requiring

1 the account holder to assert any right of
2 garnishment exemption or requiring the
3 consent of the judgment creditor.

4 (iii) LIABILITY.—A financial institu-
5 tion that complies in good faith with clause
6 (i) or that acts in good faith in reliance on
7 clause (ii) shall not be liable under any
8 Federal or State law, regulation, or court
9 or other order to a creditor that initiates
10 an order for any protected amounts, to an
11 account holder for any frozen amounts or
12 garnishment order applied.

13 (D) DEFINITIONS.—For purposes of this
14 paragraph—

15 (i) ACCOUNT HOLDER.—The term
16 “account holder” means a natural person
17 against whom a garnishment order is
18 issued and whose name appears in a finan-
19 cial institution’s records.

20 (ii) APPLICABLE PAYMENT.—The
21 term “applicable payment” means any pay-
22 ment of credit or refund by reason of sec-
23 tion 6428A of such Code (as so added) or
24 by reason of subsection (c) of this section.

1 (iii) GARNISHMENT.—The term “gar-
2 nishment” means execution, levy, attach-
3 ment, garnishment, or other legal process.

4 (iv) GARNISHMENT ORDER.—

5 (I) IN GENERAL.—The term
6 “garnishment order” means a writ,
7 order, notice, summons, judgment,
8 levy, or similar written instruction
9 issued by a court, a State or State
10 agency, or a municipality or municipal
11 corporation, including an order to
12 freeze the assets in an account, to ef-
13 fect a garnishment against a debtor.

14 (II) EXCEPTION FOR CHILD SUP-
15 PORT.—The term “garnishment
16 order” shall not include any writ,
17 order, notice, summons, judgment,
18 levy or other similar written instruc-
19 tion issued by a State child support
20 enforcement agency.

21 (E) EXCEPTION FOR CHILD SUPPORT.—
22 Nothing in this subsection shall prevent or prej-
23 udice the enforcement of any writ, order, notice,
24 summons, judgment, levy or other similar writ-

1 ten instruction issued by a State child support
2 enforcement agency.

3 (e) PUBLIC AWARENESS CAMPAIGN.—The Secretary
4 of the Treasury (or the Secretary’s delegate) shall conduct
5 a public awareness campaign, in coordination with the
6 Commissioner of Social Security and the heads of other
7 relevant Federal agencies, to provide information regard-
8 ing the availability of the credit and rebate allowed under
9 section 6428A of the Internal Revenue Code of 1986 (as
10 added by this section), including information with respect
11 to individuals who may not have filed a tax return for tax-
12 able year 2018 or 2019.

13 (f) APPROPRIATIONS TO CARRY OUT REBATES.—

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

19 (A) DEPARTMENT OF THE TREASURY.—

20 (i) For an additional amount for “De-
21 partment of the Treasury—Bureau of the
22 Fiscal Service—Salaries and Expenses”,
23 \$78,650,000, to remain available until
24 September 30, 2022.

1 (ii) For an additional amount for
2 “Department of the Treasury—Internal
3 Revenue Service—Taxpayer Services”,
4 \$293,500,000, to remain available until
5 September 30, 2022.

6 (iii) For an additional amount for
7 “Department of the Treasury—Internal
8 Revenue Service—Operations Support”,
9 \$170,000,000, to remain available until
10 September 30, 2022.

11 (iv) For an additional amount for
12 “Department of Treasury—Internal Revenue
13 Service—Enforcement”, \$37,200,000,
14 to remain available until September 30,
15 2022.

16 Amounts made available in appropriations
17 under clauses (ii), (iii), and (iv) of this subpara-
18 graph may be transferred between such appro-
19 priations upon the advance notification of the
20 Committees on Appropriations of the House of
21 Representatives and the Senate. Such transfer
22 authority is in addition to any other transfer
23 authority provided by law.

24 (B) SOCIAL SECURITY ADMINISTRATION.—
25 For an additional amount for “Social Security

1 Administration—Limitation on Administrative
2 Expenses”, \$38,000,000, to remain available
3 until September 30, 2022.

4 (2) REPORTS.—No later than 15 days after en-
5 actment of this Act, the Secretary of the Treasury
6 shall submit a plan to the Committees on Appropria-
7 tions of the House of Representatives and the Sen-
8 ate detailing the expected use of the funds provided
9 by paragraph (1)(A). Beginning 90 days after enact-
10 ment of this Act, the Secretary of the Treasury shall
11 submit a quarterly report to the Committees on Ap-
12 propriations of the House of Representatives and the
13 Senate detailing the actual expenditure of funds pro-
14 vided by paragraph (1)(A) and the expected expendi-
15 ture of such funds in the subsequent quarter.

16 (g) CONFORMING AMENDMENTS.—

17 (1) Paragraph (2) of section 1324(b) of title
18 31, United States Code, is amended by inserting
19 “6428A,” after “6428,”.

20 (2) The table of sections for subchapter B of
21 chapter 65 of subtitle F of the Internal Revenue
22 Code of 1986 is amended by inserting after the item
23 relating to section 6428 the following:

“Sec. 6428A. Additional recovery Rebates for individuals.”.