

H.R.4853

Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (Engrossed Amendment Senate - EAS)

SEC. 505. ADDITIONAL EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.

- (a) *Extension- Section 2(c)(2)(D)(iii) of the Railroad Unemployment Insurance Act, as added by section 2006 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) and as amended by section 9 of the Worker, Homeownership, and Business Assistance Act of 2009 (Public Law 111-92), is amended—*
- (b) *(1) by striking `June 30, 2010' and inserting `June 30, 2011'; and (2) by striking `December 31, 2010' and inserting `December 31, 2011'.*
- (c) *Clarification on Authority To Use Funds- Funds appropriated under either the first or second sentence of clause (iv) of section 2(c)(2)(D) of the Railroad Unemployment Insurance Act shall be available to cover the cost of additional extended unemployment benefits provided under such section 2(c)(2)(D) by reason of the amendments made by subsection (a) as well as to cover the cost of such benefits provided under such section 2(c)(2)(D), as in effect on the day before the date of the enactment of this Act.*

TITLE VI--TEMPORARY EMPLOYEE PAYROLL TAX CUT

SEC. 601. TEMPORARY EMPLOYEE PAYROLL TAX CUT.

- (a) *In General- Notwithstanding any other provision of law-- (1) with respect to any taxable year which begins in the payroll tax holiday period, the rate of tax under section 1401(a) of the Internal Revenue Code of 1986 shall be 10.40 percent, and (2) with respect to remuneration received during the payroll tax holiday period, the rate of tax under 3101(a) of such Code shall be 4.2 percent (including for purposes of determining the applicable percentage under sections 3201(a) and 3211(a)(1) of such Code).*
- (b) *Coordination With Deductions for Employment Taxes- (1) DEDUCTION IN COMPUTING NET EARNINGS FROM SELF-EMPLOYMENT- For purposes of applying section 1402(a)(12) of the Internal Revenue Code of 1986, the rate of tax imposed by*

subsection 1401(a) of such Code shall be determined without regard to the reduction in such rate under this section.

(2) INDIVIDUAL DEDUCTION- In the case of the taxes imposed by section 1401 of such Code for any taxable year which begins in the payroll tax holiday period, the deduction under section 164(f) with respect to such taxes shall be equal to the sum of--

(A) 59.6 percent of the portion of such taxes attributable to the tax imposed by section 1401(a) (determined after the application of this section), plus

(B) one-half of the portion of such taxes attributable to the tax imposed by section 1401(b).

(c) Payroll Tax Holiday Period- The term `payroll tax holiday period' means calendar year 2011.

(d) Employer Notification- The Secretary of the Treasury shall notify employers of the payroll tax holiday period in any manner the Secretary deems appropriate.

(e) Transfers of Funds-

(1) TRANSFERS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND- There are hereby appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) amounts equal to the reduction in revenues to the Treasury by reason of the application of subsection (a). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had such amendments not been enacted.

(2) TRANSFERS TO SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT- There are hereby appropriated to the Social Security Equivalent Benefit Account established under section 15A(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n-1(a)) amounts equal to the reduction in revenues to the Treasury by reason of the application of subsection (a)(2). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Account had such amendments not been enacted.

(3) COORDINATION WITH OTHER FEDERAL LAWS- For purposes of applying any provision of Federal law other than the provisions of the Internal Revenue Code of 1986, the rate of tax in effect under section 3101(a) of such Code shall be determined without regard to the reduction in such rate under this section.