

117TH CONGRESS  
2D SESSION

# H. R. 7350

To amend the Internal Revenue Code of 1986 to exempt certain late unemployment payments from taxation.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 31, 2022

Mr. THOMPSON of California (for himself, Ms. ESHOO, Mr. LOWENTHAL, Mr. SWALWELL, Ms. BROWNLEY, Ms. CHU, Ms. PORTER, Ms. ROYBAL-ALLARD, Mr. PANETTA, Ms. MATSUI, Ms. BARRAGÁN, and Ms. BASS) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to exempt certain late unemployment payments from taxation.

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. SPECIAL RULE FOR LATE UNEMPLOYMENT**  
4               **COMPENSATION PAYMENTS.**

5       (a) IN GENERAL.—Section 85(c) of the Internal Rev-  
6       enue Code of 1986 is amended by redesignating paragraph  
7       (2) as paragraph (4) and by inserting after paragraph (1)  
8       the following new paragraphs:

1           “(2) SPECIAL RULE FOR DELAYED 2020 UNEM-  
2           PLOYMENT COMPENSATION.—In the case of any tax-  
3           able year beginning in 2021, if a taxpayer is issued  
4           an unemployment compensation payment with re-  
5           spect to calendar year 2020 but such payment is not  
6           received by the taxpayer until 2021, the gross in-  
7           come of such taxpayer shall not include so much of  
8           the unemployment compensation received by such  
9           taxpayer as does not exceed \$10,200.

10           “(3) \$10,200 AGGREGATE LIMITATION.—The  
11           total amount excluded from gross income with re-  
12           spect to a taxpayer under this subsection for all tax-  
13           able years shall not exceed \$10,200.”.

14           (b) CONFORMING AMENDMENT.—Paragraph (4) of  
15           section 85(c) of the Internal Revenue Code of 1986 (as  
16           redesignated by this section) is amended by striking  
17           “paragraph (1)” and inserting “paragraphs (1) and (2)”.

18           (c) EFFECTIVE DATE.—The amendment made by  
19           this section shall apply to taxable years beginning after  
20           December 31, 2020.

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