

117TH CONGRESS
1ST SESSION

H. R. 685

To amend the Internal Revenue Code of 1986 to exempt a portion of unemployment compensation received during 2020 from income taxes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 2, 2021

Mrs. AXNE (for herself, Mr. LEVIN of Michigan, Ms. ESHOO, Mr. PETERS, Mr. FOSTER, and Mr. KHANNA) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to exempt a portion of unemployment compensation received during 2020 from income taxes.

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 “Coronavirus Unem-
5 ployment Benefits Tax Relief Act”.

1 **SEC. 2. SUSPENSION OF TAX ON PORTION OF UNEMPLOY-**
2 **MENT COMPENSATION.**

3 (a) IN GENERAL.—Section 85 of the Internal Rev-
4 enue Code of 1986 is amended by adding at the end the
5 following new subsection:

6 “(c) SPECIAL RULE FOR 2020.—In the case of any
7 taxable year beginning in 2020, gross income shall not in-
8 clude so much of the unemployment compensation received
9 by an individual as does not exceed \$10,200.”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to taxable years beginning after
12 December 31, 2019.

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