

114TH CONGRESS  
2D SESSION

# H. R. 6173

To amend the Internal Revenue Code of 1986 to allow a refundable credit against tax for commuting mass transit costs.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 26, 2016

Mrs. WATSON COLEMAN (for herself, Mr. BEYER, Mr. BISHOP of Georgia, Mr. BRENDAN F. BOYLE of Pennsylvania, Mr. CÁRDENAS, Ms. CLARKE of New York, Mr. CONYERS, Ms. FUDGE, Mr. GRIJALVA, Mr. GUTIÉRREZ, Mr. HONDA, Mr. ISRAEL, Ms. JACKSON LEE, Mr. JEFFRIES, Mr. MEEKS, Ms. MOORE, Mr. NADLER, Mrs. NAPOLITANO, Ms. NORTON, Ms. PLASKETT, Mr. SERRANO, Mr. TONKO, and Mr. DESAULNIER) 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 allow a refundable credit against tax for commuting mass transit costs.

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 “Transit Tax Credit  
5 Act of 2016”.

1 **SEC. 2. CREDIT AGAINST TAX FOR COMMUTING MASS**  
2 **TRANSIT COSTS.**

3 (a) IN GENERAL.—Subpart C of part IV of sub-  
4 chapter A of chapter 1 of the Internal Revenue Code of  
5 1986 is amended by inserting after section 36B the fol-  
6 lowing new section:

7 **“SEC. 36C. COMMUTING MASS TRANSIT COSTS.**

8 “(a) IN GENERAL.—In the case of an individual,  
9 there shall be allowed as a credit against the tax imposed  
10 by this subtitle for such taxable year an amount equal to  
11 15 percent of the amount paid or incurred by the taxpayer  
12 during such taxable year for a transit pass (as defined  
13 in section 132(f)(5)(A)) for use by the taxpayer or the  
14 taxpayer’s spouse or dependents for travel between the  
15 residence and place of employment of such taxpayer,  
16 spouse, or dependent, as the case may be.

17 “(b) REQUIREMENT OF EMPLOYMENT WITHOUT  
18 QUALIFIED TRANSPORTATION FRINGE.—No credit shall  
19 be allowable under this section with respect to transit  
20 passes for use by any individual unless—

21 “(1) such individual is an employee at any time  
22 during the taxable year, and

23 “(2) no amount is excludable from gross income  
24 as a qualified transportation fringe under section  
25 132 with respect to such individual for the taxable  
26 year.

1 “(c) DOLLAR LIMITATION.—

2 “(1) IN GENERAL.—The credit allowed under  
3 subsection (a) with respect to transit passes for use  
4 by any individual for any taxable year shall not ex-  
5 ceed \$460.

6 “(2) ADJUSTMENT FOR INFLATION.—In the  
7 case of any taxable year beginning after December  
8 31, 2017, the dollar amount in paragraph (1) shall  
9 be increased by an amount equal to—

10 “(A) such dollar amount, multiplied by

11 “(B) the cost-of-living adjustment deter-  
12 mined under section 1(f)(3) for the calendar  
13 year in which the taxable year begins, deter-  
14 mined by substituting ‘calendar year 2016’ for  
15 ‘calendar year 1992’ in subparagraph (B)  
16 thereof.”.

17 (b) CLERICAL AMENDMENT.—The table of sections  
18 for subpart C of part IV of subchapter A of chapter 1  
19 of the Internal Revenue Code of 1986 is amended by in-  
20 serting after the item relating to section 36B the following  
21 new item:

“Sec. 36C. Commuting mass transit costs.”.

22 (c) EFFECTIVE DATE.—The amendments made by  
23 this section shall apply with respect to taxable years begin-  
24 ning after December 31, 2016.

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