

116TH CONGRESS  
1ST SESSION

# S. 2697

To amend the Internal Revenue Code of 1986 to establish a refundable tax credit to return revenue raised from tariffs against Chinese imports to the American people.

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## IN THE SENATE OF THE UNITED STATES

OCTOBER 24, 2019

Mr. SCOTT of Florida introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to establish a refundable tax credit to return revenue raised from tariffs against Chinese imports to the American people.

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 “Tariff Tax Credit Act  
5 of 2019”.

6 **SEC. 2. REFUNDABLE TARIFF REBATE CREDIT.**

7 (a) IN GENERAL.—Subpart C of part IV of sub-  
8 chapter A of chapter 1 of subtitle A of the Internal Rev-

1 enue Code of 1986 is amended by inserting after section  
2 36B the following new section:

3 **“SEC. 36C. TARIFF REBATE CREDIT.**

4 “(a) IN GENERAL.—In the case of an eligible indi-  
5 vidual, there shall be allowed as a credit against the tax  
6 imposed by this subtitle for the taxable year an amount  
7 equal to the applicable amount for such taxable year.

8 “(b) ELIGIBLE INDIVIDUAL.—

9 “(1) IN GENERAL.—For purposes of this sec-  
10 tion, the term ‘eligible individual’ means an indi-  
11 vidual who, with respect to any taxable year ending  
12 with or within a calendar year, has filed a Federal  
13 income tax return not later than October 15 of the  
14 succeeding calendar year.

15 “(2) EXCEPTION.—The term ‘eligible indi-  
16 vidual’ shall not include, with respect to any taxable  
17 year—

18 “(A) any estate or trust,

19 “(B) any nonresident alien individual or  
20 any alien who is not authorized for employment  
21 in the United States, or

22 “(C) any individual who is a dependent for  
23 whom a deduction is allowable under section  
24 151 to another taxpayer for such taxable year.

25 “(c) APPLICABLE AMOUNT.—

1           “(1) DETERMINATION.—Not later than March  
2           1, 2020, and every 12 months thereafter, the Sec-  
3           retary shall—

4                   “(A) determine the total amount collected  
5                   pursuant to duties imposed on goods imported  
6                   from the People’s Republic of China under sec-  
7                   tion 301 of the Trade Act of 1974 (19 U.S.C.  
8                   2411) during the preceding calendar year, and

9                   “(B) estimate the number of eligible indi-  
10                  viduals that will file a Federal income tax re-  
11                  turn for the taxable year ending with or within  
12                  the calendar year described in subparagraph  
13                  (A).

14           “(2) CALCULATION.—

15                   “(A) IN GENERAL.—For purposes of this  
16                   section, the applicable amount for each taxable  
17                   year shall be an amount equal to the quotient  
18                   obtained by dividing—

19                           “(i) the amount described in para-  
20                           graph (1)(A) for the calendar year in  
21                           which such taxable year ends, by

22                           “(ii) the amount described in para-  
23                           graph (1)(B) for such taxable year.

1           “(B) ROUNDING.—Any amount determined  
2           under subparagraph (A) shall be rounded down  
3           to the next whole dollar amount.

4           “(3) SPECIAL RULE.—In the case of any tax-  
5           able year beginning after December 31, 2018, and  
6           ending before January 1, 2020, the amount under  
7           paragraph (2)(A)(i) shall be equal to the sum of the  
8           amounts determined under paragraph (1)(A) for cal-  
9           endar years 2018 and 2019.”.

10          (b) CONFORMING AMENDMENTS.—

11           (1) The table of sections for subpart C of part  
12           IV of subchapter A of chapter 1 of subtitle A of the  
13           Internal Revenue Code of 1986 is amended by in-  
14           serting after the item relating to section 36B the fol-  
15           lowing:

“Sec. 36C. Tariff rebate credit.”.

16           (2) Section 6211(b)(4)(A) of such Code is  
17           amended by striking “and 36B, 168(k)(4)” and in-  
18           serting “36B, and 36C”.

19           (3) Paragraph (2) of section 1324(b) of title  
20           31, United States Code, is amended by inserting  
21           “36C,” after “36B,”.

22          (c) AUTHORIZATION OF APPROPRIATIONS.—There  
23          are authorized to be appropriated such sums as may be  
24          necessary to administer section 36C of the Internal Rev-  
25          enue Code of 1986 (as added by subsection (a)).

1           (d) **EFFECTIVE DATE.**—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2018.

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