

118TH CONGRESS  
1ST SESSION

# S. 3076

To amend the Internal Revenue Code of 1986 to include individuals receiving Social Security disability benefits under the work opportunity credit, increase the work opportunity credit for vocational rehabilitation referrals, qualified SSI recipients, and qualified SSDI recipients, expand the disabled access credit, and enhance the deduction for expenditures to remove architectural and transportation barriers to the handicapped and elderly.

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## IN THE SENATE OF THE UNITED STATES

OCTOBER 18, 2023

Mr. CASEY (for himself, Mr. BROWN, Ms. DUCKWORTH, Mr. VAN HOLLEN, Mr. BLUMENTHAL, and Mrs. GILLIBRAND) 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 include individuals receiving Social Security disability benefits under the work opportunity credit, increase the work opportunity credit for vocational rehabilitation referrals, qualified SSI recipients, and qualified SSDI recipients, expand the disabled access credit, and enhance the deduction for expenditures to remove architectural and transportation barriers to the handicapped and elderly.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Disability Employment  
3 Incentive Act”.

4 **SEC. 2. EXPANSION OF WORK OPPORTUNITY CREDIT TO IN-**  
5 **CLUDE INDIVIDUALS RECEIVING DISABILITY**  
6 **BENEFITS UNDER THE SOCIAL SECURITY**  
7 **ACT.**

8 (a) IN GENERAL.—Subsection (d) of section 51 of the  
9 Internal Revenue Code of 1986 is amended—

10 (1) in paragraph (1)—

11 (A) in subparagraph (I), by striking “or”  
12 at the end,

13 (B) in subparagraph (J), by striking the  
14 period at the end and inserting “, or”, and

15 (C) by adding at the end the following new  
16 subparagraph:

17 “(K) a qualified disability insurance bene-  
18 ficiary.”, and

19 (2) by adding at the end the following new  
20 paragraph:

21 “(16) QUALIFIED DISABILITY INSURANCE BEN-  
22 EFICIARY.—The term ‘qualified disability insurance  
23 beneficiary’ means any individual who receives, for  
24 any month ending within the 60-day period ending  
25 on the hiring date—

1           “(A) monthly insurance benefits under sec-  
2           tion 202 of the Social Security Act (42 U.S.C.  
3           402) based on such individual’s disability (as  
4           defined in section 223(d) of such Act), or

5           “(B) disability insurance benefits under  
6           section 223 of such Act (42 U.S.C. 423).”.

7           (b) CREDIT MADE AVAILABLE TO QUALIFIED TAX-  
8           EXEMPT ORGANIZATIONS IN CERTAIN CIR-  
9           CUMSTANCES.—

10           (1) IN GENERAL.—Section 3111(e) of the Inter-  
11           nal Revenue Code of 1986 is amended—

12           (A) in the heading, by inserting “OR  
13           QUALIFIED DISABILITY INSURANCE BENE-  
14           FICIARIES” after “QUALIFIED VETERANS”,

15           (B) in paragraph (1)—

16           (i) by inserting “or a qualified dis-  
17           ability insurance beneficiary” after “a  
18           qualified veteran”, and

19           (ii) by inserting “or such qualified dis-  
20           ability insurance beneficiary” after “such  
21           qualified veteran”,

22           (C) in paragraph (2), by inserting “and  
23           qualified disability insurance beneficiaries”  
24           after “all qualified veterans”,

1 (D) in paragraph (3)(C), by inserting “or  
2 a qualified disability insurance beneficiary”  
3 after “a qualified veteran”,

4 (E) in paragraph (4)—

5 (i) by inserting “or any qualified dis-  
6 ability insurance beneficiary” after “any  
7 qualified veteran”, and

8 (ii) by inserting “or such qualified dis-  
9 ability insurance beneficiary” after “such  
10 qualified veteran”,

11 (F) in paragraph (5)—

12 (i) in subparagraph (A), by striking  
13 “and” at the end,

14 (ii) in subparagraph (B), by striking  
15 the period at the end and inserting “,  
16 and”, and

17 (iii) by adding at the end the fol-  
18 lowing:

19 “(C) the term ‘qualified disability insur-  
20 ance beneficiary’ has the same meaning given  
21 such term by section 51(d)(16).”, and

22 (G) by adding at the end the following:

23 “(6) 14(C) CERTIFICATE HOLDERS.—

24 “(A) IN GENERAL.—In the case of any  
25 qualified tax-exempt organization which, for

1 any period, employs any individual under a spe-  
2 cial certificate, for purposes of determining the  
3 amount of any credit allowed under paragraph  
4 (1), such determination shall not include any  
5 wages paid to any qualified disability insurance  
6 beneficiary during such period.

7 “(B) SPECIAL CERTIFICATE.—For pur-  
8 poses of this paragraph, the term ‘special cer-  
9 tificate’ means a special certificate issued under  
10 section 14(c) of the Fair Labor Standards Act  
11 of 1938 (29 U.S.C. 214(c)).”

12 (2) CONFORMING AMENDMENT.—Section  
13 52(c)(2) of such Code is amended—

14 (A) in the heading, by inserting “OR  
15 QUALIFIED DISABILITY INSURANCE BENE-  
16 FICIARIES” after “QUALIFIED VETERANS”, and

17 (B) by inserting “or qualified disability in-  
18 surance beneficiaries” after “qualified vet-  
19 erans”.

20 (3) TRANSFERS TO FEDERAL OLD-AGE AND  
21 SURVIVORS INSURANCE TRUST FUND.—There are  
22 hereby appropriated to the Federal Old-Age and  
23 Survivors Trust Fund and the Federal Disability In-  
24 surance Trust Fund established under section 201  
25 of the Social Security Act (42 U.S.C. 401) amounts

1 equal to the reduction in revenues to the Treasury  
 2 by reason of the amendments made by paragraphs  
 3 (1) and (2). Amounts appropriated by the preceding  
 4 sentence shall be transferred from the general fund  
 5 at such times and in such manner as to replicate to  
 6 the extent possible the transfers which would have  
 7 occurred to such Trust Fund had such amendments  
 8 not been enacted.

9 (c) EFFECTIVE DATE.—The amendments made by  
 10 this section shall apply to individuals who begin work for  
 11 the employer after December 31, 2023.

12 **SEC. 3. ENHANCEMENT OF WORK OPPORTUNITY CREDIT**  
 13 **FOR VOCATIONAL REHABILITATION REFER-**  
 14 **RALS, QUALIFIED SSI RECIPIENTS, AND**  
 15 **QUALIFIED SSDI RECIPIENTS.**

16 (a) IN GENERAL.—Section 51 of the Internal Rev-  
 17 enue Code of 1986 is amended—

18 (1) by redesignating subsections (f) through (k)  
 19 as subsections (g) through (l), respectively, and

20 (2) by inserting after subsection (e) the fol-  
 21 lowing new subsection:

22 “(f) CREDIT FOR SECOND-YEAR WAGES FOR EM-  
 23 PLOYMENT OF VOCATIONAL REHABILITATION REFER-  
 24 RALS, QUALIFIED SSI RECIPIENTS, AND QUALIFIED DIS-  
 25 ABILITY INSURANCE BENEFICIARIES.—

1           “(1) IN GENERAL.—With respect to employ-  
2           ment of a vocational rehabilitation referral, a quali-  
3           fied SSI recipient, or a qualified disability insurance  
4           beneficiary—

5                   “(A) the amount of the work opportunity  
6                   credit determined under this section for the tax-  
7                   able year shall include 20 percent of the quali-  
8                   fied second-year wages for such year, and

9                   “(B) in lieu of applying subsection (b)(3),  
10                  the amount of the qualified first-year wages,  
11                  and the amount of qualified second-year wages,  
12                  which may be taken into account with respect  
13                  to such referral or recipient shall not exceed  
14                  \$12,500 per year.

15           “(2) QUALIFIED SECOND-YEAR WAGES.—For  
16           purposes of this subsection, the term ‘qualified sec-  
17           ond-year wages’ means qualified wages—

18                   “(A) which are paid to a vocational reha-  
19                   bilitation referral, a qualified SSI recipient, or  
20                   a qualified disability insurance beneficiary, and

21                   “(B) which are attributable to service ren-  
22                   dered during the 1-year period beginning on the  
23                   day after the last day of the 1-year period with  
24                   respect to such referral or recipient determined  
25                   under subsection (b)(2).

1           “(3) SPECIAL RULES FOR AGRICULTURAL AND  
2 RAILWAY LABOR.—If such referral or recipient is an  
3 employee to whom subparagraph (A) or (B) of sub-  
4 section (i)(1) applies, rules similar to the rules of  
5 such subparagraphs shall apply except that—

6                   “(A) such subparagraph (A) shall be ap-  
7 plied by substituting ‘\$12,500’ for ‘\$6,000’, and

8                   “(B) such subparagraph (B) shall be ap-  
9 plied by substituting ‘\$1041.67’ for ‘\$500’.”.

10 (b) CONFORMING AMENDMENTS.—

11           (1) Section 51 of the Internal Revenue Code of  
12 1986, as amended by subsection (a), is amended—

13                   (A) in subsection (c)(1), by striking “sub-  
14 section (h)(2)” and inserting “subsection  
15 (i)(2)”,

16                   (B) in subsection (e)(3), by striking “sub-  
17 section (h)(1)” and inserting “subsection  
18 (i)(1)”, and

19                   (C) in subsection (g)(2), by striking “sub-  
20 section (h)(1)” and inserting “subsection  
21 (i)(1)”.

22           (2) Section 45A of such Code is amended—

23                   (A) in subsection (b)(1)(B), by inserting  
24 “or (f)(1)(A)” after “subsection (e)(1)(A)”,



1 (B) in subsection (c)(5)(A), by striking  
2 “section 51(i)(1)” and inserting “section  
3 51(j)(1)”, and

4 (C) in subsection (e)(3), by striking “sec-  
5 tion 51(k)” and inserting “section 51(l)”.

6 (3) Section 45S(h)(2) of such Code is amended  
7 by striking “section 51(j)” and inserting “section  
8 51(k)”.

9 (4) Section 1396(d)(2)(A) of such Code is  
10 amended by striking “section 51(i)(1)” and inserting  
11 “section 51(j)(1)”.

12 (5) Section 1397(e) of such Code is amended by  
13 striking “section 51(k)” and inserting “section  
14 51(l)”.

15 (6) Section 3111(e)(3)(B) of such Code is  
16 amended by striking “subsection (i)(3)(A)” and in-  
17 serting “subsection (j)(3)(A)”.

18 (c) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to individuals who begin work for  
20 the employer after December 31, 2023.

21 **SEC. 4. EXPANSION OF DISABLED ACCESS CREDIT.**

22 (a) ELIGIBLE ACCESS EXPENDITURES.—Subsection  
23 (a) of section 44 of the Internal Revenue Code of 1986  
24 is amended by striking “\$10,250” and inserting  
25 “\$20,250”.

1 (b) ELIGIBLE SMALL BUSINESS.—Subsection (b)(1)  
 2 of section 44 of the Internal Revenue Code of 1986 is  
 3 amended—

4 (1) in subparagraph (A), by striking  
 5 “\$1,000,000” and inserting “\$3,000,000”, and

6 (2) in subparagraph (B), by striking “30 full-  
 7 time employees” and inserting “60 full-time employ-  
 8 ees”.

9 (c) EFFECTIVE DATE.—The amendments made by  
 10 this section shall apply to taxable years beginning after  
 11 December 31, 2023.

12 **SEC. 5. EXPANSION OF DEDUCTION FOR EXPENDITURES TO**  
 13 **REMOVE ARCHITECTURAL AND TRANSPOR-**  
 14 **TATION BARRIERS TO THE HANDICAPPED**  
 15 **AND ELDERLY.**

16 (a) INCLUSION OF IMPROVEMENTS IN  
 17 ACCESSABILITY TO INTERNET AND TELECOMMUNI-  
 18 CATIONS OPERATIONS.—Subsection (b) of section 190 of  
 19 the Internal Revenue Code of 1986 is amended by adding  
 20 at the end the following:

21 “(4) INCLUSION OF IMPROVEMENTS IN  
 22 ACCESSABILITY TO INTERNET AND TELECOMMUNI-  
 23 CATIONS OPERATIONS.—The term ‘architectural and  
 24 transportation barrier removal expenses’ shall in-  
 25 clude an expenditure for the purpose of improving

1 accessibility for handicapped and elderly individuals  
2 to any internet or telecommunications services pro-  
3 vided within any facility or public transportation ve-  
4 hicle owned or leased by the taxpayer for use in con-  
5 nection with their trade or business.”.

6 (b) INCREASE IN DEDUCTION LIMITATION  
7 AMOUNT.—Subsection (c) of section 190 of the Internal  
8 Revenue Code of 1986 is amended by striking “\$15,000”  
9 and inserting “\$30,000”.

10 (c) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to taxable years beginning after  
12 December 31, 2023.

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