## 111TH CONGRESS 1ST SESSION S.829

To provide a Federal income tax credit for Patriot employers, and for other purposes.

### IN THE SENATE OF THE UNITED STATES

April 20, 2009

Mr. DURBIN (for himself and Mr. BROWN) introduced the following bill; which was read twice and referred to the Committee on Finance

# A BILL

To provide a Federal income tax credit for Patriot employers, and for other purposes.

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 "Patriot Employers5 Act".

#### 6 SEC. 2. REDUCED TAXES FOR PATRIOT EMPLOYERS.

7 (a) IN GENERAL.—Subpart D of part IV of sub8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 is amended by adding at the end the following new
10 section:

### 1 "SEC. 45R. REDUCTION IN TAX OF PATRIOT EMPLOYERS.

2 "(a) IN GENERAL.—In the case of any taxable year 3 with respect to which a taxpayer is certified by the Secretary as a Patriot employer, the Patriot employer credit 4 5 determined under this section for purposes of section 38 shall be equal to 1 percent of the taxable income of the 6 7 taxpayer which is properly allocable to all trades or busi-8 nesses with respect to which the taxpayer is certified as 9 a Patriot employer for the taxable year.

10 "(b) PATRIOT EMPLOYER.—For purposes of sub11 section (a), the term 'Patriot employer' means, with re12 spect to any taxable year, any taxpayer which—

13 "(1) maintains its headquarters in the United
14 States if the taxpayer has ever been headquartered
15 in the United States,

16 "(2) pays at least 60 percent of each employee's17 health care premiums,

18 "(3) has in effect, and operates in accordance
19 with, a policy requiring neutrality in employee orga20 nizing drives,

21 "(4) if such taxpayer employs at least 50 em22 ployees on average during the taxable year—

23 "(A) maintains or increases the number of
24 full-time workers in the United States relative
25 to the number of full-time workers outside of
26 the United States,

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1	"(B) compensates each employee of the
2	taxpayer at an hourly rate (or equivalent there-
3	of) not less than an amount equal to the Fed-
4	eral poverty level for a family of three for the
5	calendar year in which the taxable year begins
6	divided by 2,080,
7	"(C) provides either—
8	"(i) a defined contribution plan which
9	for any plan year—
10	"(I) requires the employer to
11	make nonelective contributions of at
12	least 5 percent of compensation for
13	each employee who is not a highly
14	compensated employee, or
15	"(II) requires the employer to
16	make matching contributions of 100
17	percent of the elective contributions of
18	each employee who is not a highly
19	compensated employee to the extent
20	such contributions do not exceed the
21	percentage specified by the plan (not
22	less than 5 percent) of the employee's
23	compensation, or
24	"(ii) a defined benefit plan which for
25	any plan year requires the employer to

1	make contributions on behalf of each em-
2	ployee who is not a highly compensated
3	employee in an amount which will provide
4	an accrued benefit under the plan for the
5	plan year which is not less than 5 percent
6	of the employee's compensation, and
7	"(D) provides full differential salary and
8	insurance benefits for all National Guard and
9	Reserve employees who are called for active
10	duty, and
11	((5) if such taxpayer employs less than 50 em-
12	ployees on average during the taxable year, either—
13	"(A) compensates each employee of the
14	taxpayer at an hourly rate (or equivalent there-
15	of) not less than an amount equal to the Fed-
16	eral poverty level for a family of 3 for the cal-
17	endar year in which the taxable year begins di-
18	vided by 2,080, or
19	"(B) provides either—
20	"(i) a defined contribution plan which
21	for any plan year—
22	"(I) requires the employer to
23	make nonelective contributions of at
24	least 5 percent of compensation for

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1	each employee who is not a highly
2	compensated employee, or
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4	make matching contributions of 100
5	percent of the elective contributions of
6	each employee who is not a highly
7	compensated employee to the extent
8	such contributions do not exceed the
9	percentage specified by the plan (not
10	less than 5 percent) of the employee's
11	compensation, or
12	"(ii) a defined benefit plan which for
13	any plan year requires the employer to
14	make contributions on behalf of each em-
15	ployee who is not a highly compensated
16	employee in an amount which will provide
17	an accrued benefit under the plan for the
18	plan year which is not less than 5 percent
19	of the employee's compensation.".
20	(b) Allowance as General Business Credit.—
21	Section 38(b) of the Internal Revenue Code or 1986 is
22	amended by striking "plus" at the end of paragraph (34),
23	by striking the period at the end of paragraph (35) and
24	inserting ", plus", and by adding at the end the following:

"(36) the Patriot employer credit determined
 under section 45R.".

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 December 31, 2009.

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