

111TH CONGRESS
2^D SESSION

S. _____

To amend the Internal Revenue Code of 1986 to extend the work opportunity credit to certain recently discharged veterans.

IN THE SENATE OF THE UNITED STATES

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

A BILL

To amend the Internal Revenue Code of 1986 to extend the work opportunity credit to certain recently discharged veterans.

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 “Veteran Employment
5 Transition Act of 2010”.

6 **SEC. 2. WORK OPPORTUNITY CREDIT FOR CERTAIN RE-**
7 **CENTLY DISCHARGED VETERANS.**

8 (a) IN GENERAL.—Subparagraph (A) of section
9 51(d)(3) of the Internal Revenue Code of 1986 is amended

1 by striking “means any veteran” and all that follows and
2 inserting “means any recently discharged veteran and any
3 disadvantaged veteran.”

4 (b) RECENTLY DISCHARGED VETERAN; DISADVANTAGED VETERAN.—Paragraph (3) of section 51(d) of the
5 Internal Revenue Code of 1986 is amended—

7 (1) by redesignating subparagraphs (B) and
8 (C) as subparagraphs (D) and (E), respectively, and

9 (2) by inserting after subparagraph (A) the following new subparagraphs:
10

11 “(B) RECENTLY DISCHARGED VETERAN.—
12 For purposes of subparagraph (A), the term
13 ‘recently discharged veteran’ means—

14 “(i) any individual who has served on
15 active duty (other than active duty for
16 training) in the Armed Forces of the
17 United States for more than 180 total
18 days (whether consecutive or not),

19 “(ii) any individual who has been dis-
20 charged or released from active duty in the
21 Armed Forces of the United States for a
22 service-connected disability, and

23 “(iii) any member of the National
24 Guard who has served for more than 180

1 total days (whether consecutive or not)
2 of—

3 “(I) active duty (within the
4 meaning of title 32, United States
5 Code) other than for training,

6 “(II) full-time National Guard
7 duty (within the meaning of such title
8 32) other than for training,

9 “(III) duty, other than inactive
10 duty or duty for training, in State
11 status (within the meaning of such
12 title 32), or

13 “(IV) any combination of duty
14 described in subclause (I), (II), or
15 (III),

16 who has been discharged or released from such
17 duty at any time during the 5-year period end-
18 ing on the hiring date. Such term shall not in-
19 clude any unemployed veteran who begins work
20 for the employer before the date of the enact-
21 ment of the Veteran Employment Transition
22 Act of 2010.

23 “(C) DISADVANTAGED VETERAN.—For
24 purposes of subparagraph (A), the term ‘dis-

1 advantaged veteran’ means any veteran who is
2 certified by the designated local agency as—

3 “(i) being a member of a family re-
4 ceiving assistance under a supplemental
5 nutrition assistance program under the
6 Food and Nutrition Act of 2008 for at
7 least a 3-month period ending during the
8 12-month period ending on the hiring date,
9 or

10 “(ii) entitled to compensation for a
11 service-connected disability, and—

12 “(I) having a hiring date which is
13 not more than 1 year after having
14 been discharged or released from ac-
15 tive duty in the Armed Forces of the
16 United States, or

17 “(II) having aggregate periods of
18 unemployment during the 1-year pe-
19 riod ending on the hiring date which
20 equal or exceed 6 months.”.

21 (c) CONFORMING AMENDMENTS.—Section 51 of the
22 Internal Revenue Code of 1986 is amended—

23 (1) by striking “(d)(3)(A)(ii)” in paragraph (3)
24 of subsection (b) and inserting “(d)(3)(C)(ii)”,

1 (2) by striking “For purposes of subparagraph
2 (A)” each place it appears in subparagraphs (D)
3 and (E) of subsection (d)(3), as redesignated by
4 subsection (b), and inserting “For purposes of sub-
5 paragraph (C)”,

6 (3) by adding at the end of paragraph (13) of
7 subsection (d) the following new subparagraph:

8 “(D) PRE-SCREENING OF RECENTLY DIS-
9 CHARGED VETERANS.—

10 “(i) IN GENERAL.—For purposes of
11 subparagraph (A), the term ‘pre-screening
12 notice’ shall include any documentation
13 provided to an individual by the Depart-
14 ment of Defense or the National Guard
15 upon release or discharge from the Armed
16 Forces or from service in the National
17 Guard which includes information suffi-
18 cient to establish that such individual is a
19 recently discharged veteran.

20 “(ii) ADDITIONAL CERTIFICATION NOT
21 REQUIRED.—Subparagraph (A) shall be
22 applied without regard to clause (ii)(II)
23 thereof in the case of a recently discharged
24 veteran who provides to the employer docu-
25 mentation described in clause (i).”,

1 (4) by inserting “who begins work for the em-
2 ployer after December 31, 2008, and before the date
3 of the enactment of the Veteran Employment Tran-
4 sition Act of 2010,” after “Any unemployed vet-
5 eran” in subparagraph (A) of subsection (d)(14),
6 and

7 (5) by inserting a comma after “during 2009 or
8 2010” in subparagraph (A) of subsection (d)(14).

9 (d) EFFECTIVE DATE.—The amendments made by
10 subsections (a), (b), and (c) shall apply to individuals
11 whose hiring date (as defined in section 51(d)(11) of the
12 Internal Revenue Code of 1986) is on or after the date
13 of the enactment of this Act.

14 (e) DEPARTMENT OF DEFENSE DOCUMENTATION.—

15 (1) IN GENERAL.—The Department of Defense
16 and the National Guard, as applicable, shall pro-
17 vide—

18 (A) to each individual who is discharged or
19 released from active duty in the Armed Forces
20 of the United States on or after the date of the
21 enactment of this Act; and

22 (B) to each member of the National Guard
23 who is released from duty described in section
24 51(d)(3)(B)(iii) of the Internal Revenue Code

1 of 1986 (as added by this Act) on or after the
2 date of the enactment of this Act;
3 in addition to the documentation which, without re-
4 gard to this subsection, is provided at the time of
5 such discharge or release, documentation described
6 in paragraph (4). If the documentation which is pro-
7 vided without regard to this subsection at the time
8 of the discharge or release described in the pre-
9 ceding sentence does not include information suffi-
10 cient to satisfy the requirements of section
11 51(d)(13)(D)(i) of the Internal Revenue Code of
12 1986 (as added by this Act), the Department of De-
13 fense or the National Guard, whichever is applicable,
14 shall provide additional documentation which in-
15 cludes such information.

16 (2) INFORMATIONAL BRIEFING.—In the case of
17 an individual who is discharged or released from
18 duty described in subparagraph (A) or (B) of para-
19 graph (1) after the date of the enactment of this
20 Act, the Department of Defense or the National
21 Guard, whichever is applicable, shall provide a brief-
22 ing to such individual before or at the time of such
23 discharge or release to inform such individual of the
24 credit for employment of recently discharged vet-

1 erans under section 51 of the Internal Revenue Code
2 of 1986.

3 (3) REQUEST FOR DOCUMENTATION.—The De-
4 partment of Defense or the National Guard, which-
5 ever is applicable, shall provide upon request the
6 documentation described in paragraph (1) to any in-
7 dividual who is discharged or released from duty de-
8 scribed in subparagraph (A) or (B) of paragraph (1)
9 during the 5-year period preceding and including the
10 date of the enactment of this Act.

11 (4) INSTRUCTIONS FOR USE OF WORK OPPOR-
12 TUNITY CREDIT.—The documentation described in
13 this paragraph is a document which includes—

14 (A) instructions for an individual to ensure
15 treatment as a recently discharged veteran for
16 purposes of section 51(d)(3)(B) of the Internal
17 Revenue Code of 1986 (as added by this Act),

18 (B) instructions for employers detailing the
19 use of the credit under such section 51 with re-
20 spect to such individual, and

21 (C) the dates during which the credit
22 under such section 51 is available.

23 Such instructions shall be developed in collaboration
24 with the Internal Revenue Service.