HR 6081

Heroes Earnings Assistance and Relief Tax Act of 2008

Congress: 110 (2007–2009, Ended)
Chamber: House
Policy Area: Taxation
Introduced: May 16, 2008
Current Status: Became Public Law No: 110-245.
Latest Action: Became Public Law No: 110-245. (Jun 17, 2008)
Law: 110-245 (Enacted Jun 17, 2008)
Official Text: https://www.congress.gov/bill/110th-congress/house-bill/6081

Sponsor

Name: Rep. Rangel, Charles B. [D-NY-15]
Party: Democratic • **State:** NY • **Chamber:** House

Cosponsors (28 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Altmire, Jason [D-PA-4]	D · PA		May 16, 2008
Rep. Berkley, Shelley [D-NV-1]	D · NV		May 16, 2008
Rep. Blumenauer, Earl [D-OR-3]	D · OR		May 16, 2008
Rep. Boyda, Nancy E. [D-KS-2]	D · KS		May 16, 2008
Rep. Cohen, Steve [D-TN-9]	D · TN		May 16, 2008
Rep. Crowley, Joseph [D-NY-7]	D · NY		May 16, 2008
Rep. DeLauro, Rosa L. [D-CT-3]	D · CT		May 16, 2008
Rep. Ellsworth, Brad [D-IN-8]	D · IN		May 16, 2008
Rep. Emanuel, Rahm [D-IL-5]	D · IL		May 16, 2008
Rep. Jones, Stephanie Tubbs [D-OH-11]	D · OH		May 16, 2008
Rep. Kind, Ron [D-WI-3]	D · WI		May 16, 2008
Rep. Larson, John B. [D-CT-1]	D · CT		May 16, 2008
Rep. Lewis, John [D-GA-5]	D · GA		May 16, 2008
Rep. Loebsack, David [D-IA-2]	D · IA		May 16, 2008
Rep. McDermott, Jim [D-WA-7]	D · WA		May 16, 2008
Rep. Meek, Kendrick B. [D-FL-17]	D · FL		May 16, 2008
Rep. Neal, Richard E. [D-MA-2]	D · MA		May 16, 2008
Rep. Pomeroy, Earl [D-ND-At Large]	D · ND		May 16, 2008
Rep. Stark, Fortney Pete [D-CA-13]	D · CA		May 16, 2008
Rep. Tsongas, Niki [D-MA-5]	D · MA		May 16, 2008
Rep. Van Hollen, Chris [D-MD-8]	D · MD		May 16, 2008
Rep. Welch, Peter [D-VT-At Large]	D · VT		May 16, 2008
Rep. Arcuri, Michael A. [D-NY-24]	D · NY		May 19, 2008
Rep. Becerra, Xavier [D-CA-31]	D · CA		May 19, 2008
Rep. Davis, Susan A. [D-CA-53]	D · CA		May 19, 2008
Rep. Doggett, Lloyd [D-TX-25]	D · TX		May 19, 2008
Rep. Shea-Porter, Carol [D-NH-1]	D · NH		May 19, 2008
Rep. Walz, Timothy J. [D-MN-1]	D · MN		May 19, 2008

Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	May 16, 2008

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

Summary (as of Jun 17, 2008)

(This measure has not been amended since it was passed by the House on May 20, 2008. The summary of that version is repeated here.)

Heroes Earning Assistance and Relief Tax Act of 2008 -Amends the Internal Revenue Code to provide tax benefits and incentives for military personnel.

Title I: Benefits for Military - (Sec 101) Exempts married taxpayers who file a joint tax return from the identification requirement for the 2008 recovery tax rebate if at least one of the filers is a current member of the Armed Forces.

(Sec. 102) Makes permanent the election to treat combat zone compensation as earned income for purposes of the earned income tax credit.

(Sec. 103) Makes permanent the exemption from the first-time homebuyer rule for veterans using mortgage revenue bonds to purchase a residence.

Increases the issuance limits on mortgage revenue bonds for veterans in Alaska, Oregon, and Wisconsin to $100 million after 2009.

Revises the definition of "qualified veteran" for mortgage bond financing eligibility purposes to eliminate the pre-1977 active duty requirement and to reduce the eligibility period to 25 years.

(Sec. 104) Requires tax-qualified pension plans to entitle survivors of plan participants who die while on active military duty to additional benefits and benefit accruals provided under such plans for participants who resume and then terminate employment due to death.

(Sec. 105) Treats differential wage payments to an employee as a payment of wages for income tax purposes. Defines "differential wage payment" as any employer payment to an individual serving on active duty in the uniformed services for more than 30 days that represents wages such individual would have received if such individual were performing services for the employer.

Treats an individual receiving differential wage payments as an employee and treats such payments as compensation for retirement plan purposes.

(Sec. 106) Allows members of the uniformed services whose retired pay in any taxable year is reduced due to an award of disability compensation by the Department of Veterans Affairs (VA) an extension of the three-year limitation period for filing tax refund claims until one year after the date of a disability determination. Limits the period for which such refund claims may be filed to taxable years beginning more than five years before the date of a disability determination.

(Sec. 107) Makes permanent the penalty exemption for premature withdrawals from retirement plans for individuals called or ordered to active military duty on or after December 31, 2007.

(Sec. 108) Makes permanent the authority of the Social Security Administration (SSA) to disclose tax return information to the VA for purposes of making veterans benefit determinations.

(Sec. 109) Allows a tax-free rollover of any military death gratuity and any group life insurance payment to a survivor's Roth individual retirement account (Roth IRA) or to an education savings account.

(Sec. 110) Allows an active Peace Corps volunteer an election to suspend the running of the five-year period for determining ownership and use of a principal residence for purposes of the tax exclusion of the gain from the sale of such a residence.

(Sec. 111) Allows certain small business employers a tax credit for up to 20% of the differential wage payments made for the benefit of active duty members of the Armed Forces.

(Sec. 112) Allows an exclusion from gross income for bonus payments made by a state or political subdivision to current or former members of the uniformed services (or dependents) for service in a combat zone.

(Sec. 113) Makes permanent the exclusion from the gross income of certain employees of the intelligence community of gain from the sale of their principal residences without regard to otherwise applicable five-year residential use and holding requirements.

(Sec. 114) Allows a tax-free distribution of unused benefits in a health flexible spending arrangement to any member of an Armed Forces reserve component who is ordered or called to active duty.

(Sec. 115) Exempts certain state and local payments to and benefits for volunteer firefighters and emergency medical responders from federal employment and unemployment taxes.

Title II: Improvements in Supplemental Security Income - (Sec. 201) Amends title XVI (Supplemental Security Income for the Aged, Blind, and Disabled) of the Social Security Act to treat cash remuneration paid to a member of the uniformed services as earned income and certain housing payments to such members as in-kind support and maintenance for supplemental security income (SSI) program purposes.

(Sec. 202) Excludes state annuity payments to blind, disabled, or aged veterans for purposes of SSI benefit determinations.

(Sec. 203) Excludes any cash or in-kind benefit paid to an AmeriCorps participant from SSI income eligibility and benefit determinations.

Title III: Revenue Provisions - (Sec. 301) Sets forth additional rules for the tax treatment of high-income individuals who relinquish U.S. citizenship or residency to avoid U.S. taxation (expatriates). Treats all property of expatriates as sold for fair market value on the day before the expatriation date and includes gain (over $600,000) or loss from such sale in their gross income. Allows expatriates to elect to defer payment of any tax resulting from expatriation if adequate security for payment of such tax is given.

Requires 30% withholding of tax for certain items of deferred compensation payable to expatriates.

Imposes a separate tax on gifts and bequests from expatriates exceeding $10,000, payable by the recipient of such gift or bequest.

(Sec. 302) Treats certain foreign subsidiaries of U.S. companies performing services under a contract with the U.S. government as U.S. employers for purposes of Social Security and Medicare employment taxes.

(Sec. 303) Increases the minimum penalty for failure to file an individual income tax return to $135 or 100% of the amount required to be shown on such return.

Title IV: Parity in the Application of Certain Limits to Mental Health Benefits - Amends the Internal Revenue Code,

the Employee Retirement Income Security Act of 1974 (ERISA), and the Public Health Service Act to extend through 2008 parity requirements applicable to mental health benefits offered by group health plans.

Actions Timeline

- **Jun 17, 2008:** Signed by President.
- **Jun 17, 2008:** Became Public Law No: 110-245.
- **Jun 6, 2008:** Presented to President.
- **May 22, 2008:** Passed/agreed to in Senate: Passed Senate without amendment by Unanimous Consent.(consideration: CR S4772-4774)
- **May 22, 2008:** Passed Senate without amendment by Unanimous Consent. (consideration: CR S4772-4774)
- **May 22, 2008:** Message on Senate action sent to the House.
- **May 22, 2008:** Cleared for White House.
- **May 21, 2008:** Received in the Senate, read twice.
- **May 20, 2008:** Mr. Rangel moved to suspend the rules and pass the bill, as amended.
- **May 20, 2008:** Considered under suspension of the rules. (consideration: CR H4160-4171)
- **May 20, 2008:** DEBATE - The House proceeded with forty minutes of debate on H.R. 6081.
- **May 20, 2008:** DEBATE - The House continued with debate on H.R. 6081.
- **May 20, 2008:** At the conclusion of debate, the Yeas and Nays were demanded and ordered. Pursuant to the provisions of clause 8, rule XX, the Chair announced that further proceedings on the motion would be postponed.
- **May 20, 2008:** Considered as unfinished business. (consideration: CR H4187-4188)
- **May 20, 2008:** Passed/agreed to in House: On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 403 - 0 (Roll no. 331).(text: CR H4160-4167)
- **May 20, 2008:** Motion to reconsider laid on the table Agreed to without objection.
- **May 20, 2008:** On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 403 - 0 (Roll no. 331). (text: CR H4160-4167)
- **May 16, 2008:** Introduced in House
- **May 16, 2008:** Referred to the House Committee on Ways and Means.

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