

104TH CONGRESS
1ST SESSION

S. 408

To amend the Internal Revenue Code of 1986 to provide tax incentives relating to the closure, realignment, or downsizing of military installations.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 14 (legislative day, JANUARY 30), 1995

Ms. SNOWE introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide tax incentives relating to the closure, realignment, or downsizing of military installations.

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. HIRING INCENTIVES RELATING TO BASE CLO-**
4 **SURES, REALIGNMENTS, AND REDUCTIONS IN**
5 **FORCE.**

6 (a) IN GENERAL.—Chapter 1 of the Internal Reve-
7 nue Code of 1986 (relating to normal tax and surtax
8 rules) is amended by inserting after subchapter V the fol-
9 lowing new subchapter:

1 **“Subchapter W—Tax Incentives Relating to**
 2 **Federal Military Installations**

“Part I. Definitions.

“Part II. Hiring incentives.

3 **“PART I—DEFINITIONS**

“Sec. 1399A. Definitions.

4 **“SEC. 1399A. DEFINITIONS.**

5 “(a) APPLICABLE FEDERAL MILITARY INSTALLA-
 6 TION.—For purposes of this subchapter, the term ‘appli-
 7 cable Federal military installation’ means a Federal mili-
 8 tary installation or other facility which experiences a re-
 9 duction in force or is closed or realigned under—

10 “(1) the Defense Base Closure and Realign-
 11 ment Act of 1990 (10 U.S.C. 2687 note),

12 “(2) title II of the Defense Authorization
 13 Amendments and Base Closure and Realignment
 14 Act (10 U.S.C. 2687 note), or

15 “(3) section 2687 of title 10, United States
 16 Code.

17 “(b) DISLOCATED EMPLOYEE.—For purposes of this
 18 subchapter—

19 “(1) IN GENERAL.—The term ‘dislocated em-
 20 ployee’ means an individual who is certified, under
 21 procedures similar to the procedures described in
 22 section 51(d)(16), as being an individual (whether or
 23 not a Federal employee)—

1 “(A) who was employed on an applicable
2 Federal military installation, and

3 “(B) whose job was terminated as a result
4 of the closing or realignment of such installa-
5 tion or a reduction in force at such installation.

6 “(2) LIMITATION.—An individual shall not be
7 treated as a dislocated employee with respect to any
8 job termination after the later of—

9 “(A) the close of the second calendar year
10 following the calendar year in which the an-
11 nouncement of the job termination occurs, or

12 “(B) the close of the 1-year period begin-
13 ning with the date on which the employee first
14 begins work for any employer after the job ter-
15 mination.

16 “PART II—HIRING INCENTIVES

“Sec. 1399B. Targeted jobs credit.

17 “SEC. 1399B. TARGETED JOBS CREDIT.

18 “For purposes of section 38, a dislocated employee
19 shall be treated as a member of a targeted group for pur-
20 poses of determining the targeted jobs credit under section
21 51.”.

22 (b) CONFORMING AMENDMENT.—The table of sub-
23 chapters for chapter 1 of the Internal Revenue Code of

1 1986 is amended by inserting after the item relating to
2 subchapter V the following new item:

“SUBCHAPTER W. Tax incentives relating to Federal military in-
installations.”

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

