

112TH CONGRESS  
1ST SESSION

# H. R. 865

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

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 2011

Mr. WALZ of Minnesota (for himself and Mr. ROE of Tennessee) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## 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 2011”.

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

3 (a) **IN GENERAL.**—Subparagraph (A) of section  
4 51(d)(3) of the Internal Revenue Code of 1986 is amended  
5 by striking “means any veteran” and all that follows and  
6 inserting “means any recently discharged veteran and any  
7 veteran receiving specified benefits.”

8 (b) **RECENTLY DISCHARGED VETERAN; VETERAN**  
9 **RECEIVING SPECIFIED BENEFITS.**—Paragraph (3) of sec-  
10 tion 51(d) of the Internal Revenue Code of 1986 is amend-  
11 ed—

12 (1) by redesignating subparagraphs (B) and  
13 (C) as subparagraphs (D) and (E), respectively, and

14 (2) by inserting after subparagraph (A) the fol-  
15 lowing new subparagraphs:

16 “(B) **RECENTLY DISCHARGED VETERAN.**—  
17 For purposes of subparagraph (A), the term  
18 ‘recently discharged veteran’ means—

19 “(i) any individual who has served on  
20 active duty (other than active duty for  
21 training) in the Armed Forces of the  
22 United States for more than 180 consecu-  
23 tive days,

24 “(ii) any individual who has been dis-  
25 charged or released from active duty in the

1           Armed Forces of the United States for a  
2           service-connected disability, and

3           “(iii) any member of the National  
4           Guard who has served for more than 180  
5           consecutive days of—

6                   “(I) active duty (within the  
7                   meaning of title 32, United States  
8                   Code) other than for training,

9                   “(II) full-time National Guard  
10                  duty (within the meaning of such title  
11                  32) other than for training,

12                  “(III) duty, other than inactive  
13                  duty or duty for training, in State  
14                  status (within the meaning of such  
15                  title 32), or

16                  “(IV) any combination of duty  
17                  described in subclause (I), (II), or  
18                  (III),

19           who has been discharged or released from such  
20           duty at any time during the 5-year period end-  
21           ing on the hiring date. Such term shall not in-  
22           clude any veteran who begins work for the em-  
23           ployer before the date of the enactment of the  
24           Veteran Employment Transition Act of 2011.

1           “(C) VETERAN RECEIVING SPECIFIED  
2 BENEFITS.—For purposes of subparagraph (A),  
3 the term ‘veteran receiving specified benefits’  
4 means any veteran who is certified by the des-  
5 ignated local agency as—

6           “(i) being a member of a family re-  
7 ceiving assistance under a supplemental  
8 nutrition assistance program under the  
9 Food and Nutrition Act of 2008 for at  
10 least a 3-month period ending during the  
11 12-month period ending on the hiring date,  
12 or

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

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

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

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

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

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

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

10                   “(D) PRE-SCREENING OF RECENTLY DIS-  
11 CHARGED VETERANS.—

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

22                           “(ii) ADDITIONAL CERTIFICATION NOT  
23 REQUIRED.—Subparagraph (A) shall be  
24 applied without regard to clause (ii)(II)  
25 thereof in the case of a recently discharged

1                   veteran who provides to the employer docu-  
2                   mentation described in clause (i).”.

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

8           (e) DEPARTMENT OF DEFENSE DOCUMENTATION.—

9                   (1) IN GENERAL.—The Department of Defense  
10                   and the National Guard, as applicable, shall pro-  
11                   vide—

12                           (A) to each individual who is discharged or  
13                           released from active duty in the Armed Forces  
14                           of the United States on or after the date of the  
15                           enactment of this Act; and

16                           (B) to each member of the National Guard  
17                           who is released from duty described in section  
18                           51(d)(3)(B)(iii) of the Internal Revenue Code  
19                           of 1986 (as added by this Act) on or after the  
20                           date of the enactment of this Act;

21                   in addition to the documentation which, without re-  
22                   gard to this subsection, is provided at the time of  
23                   such discharge or release, documentation described  
24                   in paragraph (4). If the documentation which is pro-  
25                   vided without regard to this subsection at the time

1 of the discharge or release described in the pre-  
2 ceding sentence does not include information suffi-  
3 cient to satisfy the requirements of section  
4 51(d)(13)(D)(i) of the Internal Revenue Code of  
5 1986 (as added by this Act), the Department of De-  
6 fense or the National Guard, whichever is applicable,  
7 shall provide additional documentation which in-  
8 cludes such information.

9 (2) INFORMATIONAL BRIEFING AS PART OF  
10 PRESEPARATION COUNSELING.—In the case of an  
11 individual who is discharged or released from duty  
12 described in subparagraph (A) or (B) of paragraph  
13 (1) after the date of the enactment of this Act, the  
14 Department of Defense or the National Guard,  
15 whichever is applicable, shall inform such individual,  
16 as a part of the individual preseparation counseling  
17 required by section 1142 of title 10, United States  
18 Code, of the credit for employment of recently dis-  
19 charged veterans under section 51 of the Internal  
20 Revenue Code of 1986.

21 (3) REQUEST FOR DOCUMENTATION.—The De-  
22 partment of Defense or the National Guard, which-  
23 ever is applicable, shall provide upon request the  
24 documentation required by paragraph (1) to any in-  
25 dividual who is discharged or released from duty de-

1 scribed in subparagraph (A) or (B) of such para-  
2 graph during the 5-year period preceding and in-  
3 cluding the date of the enactment of this Act.

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

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

11 (B) instructions for employers detailing the  
12 use of the credit under such section 51 with re-  
13 spect to such individual, and

14 (C) the dates during which the credit  
15 under such section 51 is available.

16 Such instructions shall be developed in collaboration  
17 with the Internal Revenue Service.

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