

116TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to create a refundable tax credit for travel expenditures, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Ms. CORTEZ MASTO (for herself and Mr. CRAMER) introduced the following bill; which was read twice and referred to the Committee on

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**A BILL**

To amend the Internal Revenue Code of 1986 to create a refundable tax credit for travel expenditures, 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 “Hospitality and Com-  
5 merce Job Recovery Act of 2020”.

6 **SEC. 2. ESTABLISHMENT OF TAX CREDIT TO SUPPORT THE**  
7 **CONVENTION AND TRADE SHOW INDUSTRY.**

8 (a) IN GENERAL.—For purposes of section 38 of the  
9 Internal Revenue Code of 1986, the convention and trade

1 show restart credit shall be treated as a credit listed at  
2 the end of subsection (b) of such section. For purposes  
3 of this section, the convention and trade show restart cred-  
4 it for any taxable year is an amount equal to the sum  
5 of—

6 (1) 50 percent of the qualified participation  
7 costs paid or incurred by a taxpayer during such  
8 taxable year, and

9 (2) in the case of an eligible provider, 100 per-  
10 cent of the qualified restart costs paid or incurred  
11 by such provider during such taxable year.

12 (b) QUALIFIED PARTICIPATION COSTS.—For pur-  
13 poses of this section, the term “qualified participation  
14 costs” means any costs or expenses paid or incurred by  
15 the taxpayer after December 31, 2020, for any employee  
16 or officer of the taxpayer to attend a qualified event, in-  
17 cluding registration fees, lodging, and costs with respect  
18 to carrying out an exhibition relating to the taxpayer.  
19 Such term shall not include any costs which are not nec-  
20 essary for the attendance of such employee or officer at  
21 such event.

22 (c) ELIGIBLE PROVIDER; QUALIFIED RESTART  
23 COSTS.—In this section—

24 (1) ELIGIBLE PROVIDER.—The term “eligible  
25 provider” means any person which—

1 (A) provides facilities at which a qualified  
2 event may be held, or

3 (B) sponsors or is otherwise responsible for  
4 the administration of a qualified event.

5 (2) QUALIFIED RESTART COSTS.—The term  
6 “qualified restart costs” means any costs paid or in-  
7 curred by an eligible provider after December 31,  
8 2020, in reopening after such date a facility de-  
9 scribed in paragraph (1)(A) which was closed or  
10 forced to reduce services due to the virus SARS-  
11 CoV-2 or coronavirus disease 2019 (referred to in  
12 this section as “COVID-19”), including—

13 (A) any renovation, remediation, or addi-  
14 tional labor and rental costs related to pre-  
15 venting individuals present in such facility from  
16 contracting COVID-19, and

17 (B) any testing of employees of the tax-  
18 payer or guests of such facility for symptoms of  
19 COVID-19.

20 (d) QUALIFIED EVENT.—

21 (1) IN GENERAL.—In this section, the term  
22 “qualified event” means—

23 (A) a convention, seminar, or similar meet-  
24 ing (as such terms are used in section 274 of  
25 the Internal Revenue Code of 1986),

1 (B) a business meeting (as such term is  
2 used in such section), or

3 (C) a trade show,  
4 which takes place after December 31, 2020.

5 (2) TRADE SHOW.—For purposes of this sub-  
6 section, the term “trade show” means any exhibition  
7 at which different businesses within a particular in-  
8 dustry promote their products and services.

9 (e) DENIAL OF DOUBLE BENEFIT.—No deduction  
10 shall be allowed under any provision of chapter 1 of the  
11 Internal Revenue Code of 1986 with respect to any  
12 amount taken in account in determining the credit allowed  
13 to a taxpayer under this section.

14 (f) LOCATION REQUIREMENT.—No credit shall be al-  
15 lowed under this section with respect to any qualified  
16 event unless such event is held within the United States  
17 (including any territory or possession of the United  
18 States).

19 (g) PAYROLL CREDIT FOR NONPROFIT EMPLOY-  
20 ERS.—

21 (1) IN GENERAL.—In the case of an organiza-  
22 tion which is described in section 501(c) of the In-  
23 ternal Revenue Code of 1986 and exempt from tax  
24 under section 501(a) of such Code, the credit deter-  
25 mined under this section shall be allowed as a credit

1       against applicable employment taxes paid by such  
2       organization for calendar quarters in the taxable  
3       year, and not treated as a credit listed at the end  
4       of section 38(b) of such Code.

5               (2) LIMITATIONS AND REFUNDABILITY.—

6               (A) CREDIT LIMITED TO EMPLOYMENT  
7       TAXES.—The credit allowed by paragraph (1)  
8       with respect to calendar quarters in any taxable  
9       year shall not exceed the applicable employment  
10      taxes (reduced by any credits allowed under  
11      subsections (e) and (f) of section 3111 of the  
12      Internal Revenue Code of 1986 and sections  
13      7001 and 7003 of the Families First  
14      Coronavirus Response Act) on the wages paid  
15      with respect to the employment of all the em-  
16      ployees of the organization for such taxable  
17      year.

18              (B) REFUNDABILITY OF EXCESS CRED-  
19      IT.—

20              (i) IN GENERAL.—If the amount of  
21      the credit under paragraph (1) exceeds the  
22      limitation of subparagraph (A) for any cal-  
23      endar quarter, such excess shall be treated  
24      as an overpayment that shall be refunded

1 under sections 6402(a) and 6413(b) of the  
2 Internal Revenue Code of 1986.

3 (ii) TREATMENT OF PAYMENTS.—For  
4 purposes of section 1324 of title 31,  
5 United States Code, any amounts due to  
6 the employer under this paragraph shall be  
7 treated in the same manner as a refund  
8 due from a credit provision referred to in  
9 subsection (b)(2) of such section.

10 (3) APPLICABLE EMPLOYMENT TAXES.—For  
11 purposes of this subsection, the term “applicable em-  
12 ployment taxes” means the following:

13 (A) The taxes imposed under section  
14 3111(a) of the Internal Revenue Code of 1986.

15 (B) So much of the taxes imposed under  
16 section 3221(a) of such Code as are attrib-  
17 utable to the rate in effect under section  
18 3111(a) of such Code.

19 (h) REGULATIONS AND GUIDANCE.—The Secretary  
20 of the Treasury (or the Secretary’s delegate) may pre-  
21 scribe such regulations and other guidance as may be ap-  
22 propriate or necessary to carry out the purposes of this  
23 section.

1 (i) TERMINATION.—This section shall not apply to  
2 any costs paid or incurred in taxable years beginning after  
3 December 31, 2023.

4 **SEC. 3. IMPROVEMENTS TO EMPLOYEE RETENTION TAX**  
5 **CREDIT.**

6 (a) INCREASE IN CREDIT PERCENTAGE.—Section  
7 2301(a) of the CARES Act (Public Law 116-136) is  
8 amended by striking “50 percent” and inserting “80 per-  
9 cent”.

10 (b) INCREASE IN PER EMPLOYEE LIMITATION.—Sec-  
11 tion 2301(b)(1) of the CARES Act is amended by striking  
12 “for all calendar quarters shall not exceed \$10,000.” and  
13 inserting “shall not exceed—

14 “(A) \$15,000 in any calendar quarter, and

15 “(B) \$45,000 in the aggregate for all cal-  
16 endar quarters.”.

17 (c) MODIFICATION OF THRESHOLD FOR TREATMENT  
18 AS A LARGE EMPLOYER.—

19 (1) IN GENERAL.—Section 2301(c)(3)(A) of the  
20 CARES Act is amended—

21 (A) by striking “for which the average  
22 number of full-time employees (within the  
23 meaning of section 4980H of the Internal Rev-  
24 enue Code of 1986) employed by such eligible  
25 employer during 2019 was greater than 100” in

1 clause (i) and inserting “which is a large em-  
2 ployer”, and

3 (B) by striking “for which the average  
4 number of full-time employees (within the  
5 meaning of section 4980H of the Internal Rev-  
6 enue Code of 1986) employed by such eligible  
7 employer during 2019 was not greater than  
8 100” in clause (ii) and inserting “which is not  
9 a large employer”.

10 (2) LARGE EMPLOYER DEFINED.—Section  
11 2301(c) of the CARES Act is amended by redesignig-  
12 nating paragraph (6) as paragraph (7) and by in-  
13 serting after paragraph (5) the following new para-  
14 graph:

15 “(6) LARGE EMPLOYER.—The term ‘large em-  
16 ployer’ means any eligible employer if—

17 “(A) the average number of full-time em-  
18 ployees (as determined for purposes of section  
19 4980H(c)(2) of the Internal Revenue Code of  
20 1986) employed by such eligible employer dur-  
21 ing calendar year 2019 was greater than 1,500,  
22 and

23 “(B) the gross receipts (within the mean-  
24 ing of section 448(c) of the Internal Revenue  
25 Code of 1986) of such eligible employer during



1           calendar year 2019 was greater than  
2           \$41,500,000.”.

3           (d) PHASE-IN OF ELIGIBILITY BASED ON REDUC-  
4   TION IN GROSS RECEIPTS.—

5           (1) REDUCTION OF DECLINE IN GROSS RE-  
6   CEIPTS NECESSARY TO QUALIFY FOR CREDIT.—Sec-  
7   tion 2301(c)(2)(B) of the CARES Act is amended—

8           (A) by striking “50 percent” in clause (i)  
9           and inserting “90 percent”, and

10          (B) by striking “80 percent” in clause (ii)  
11          and inserting “90 percent”.

12          (2) PHASE-IN OF CREDIT IF REDUCTION IN  
13   GROSS RECEIPTS IS LESS THAN 50 PERCENT.—Sec-  
14   tion 2301(c)(2) of the CARES Act is amended by  
15   adding at the end the following new subparagraph:

16          “(D) PHASE-IN OF CREDIT WHERE BUSI-  
17   NESS NOT SUSPENDED AND REDUCTION IN  
18   GROSS RECEIPTS LESS THAN 50 PERCENT.—

19          “(i) IN GENERAL.—In the case of any  
20          calendar quarter with respect to which an  
21          eligible employer would not be an eligible  
22          employer if subparagraph (B)(i) were ap-  
23          plied by substituting ‘50 percent’ for ‘90  
24          percent’, the amount of the credit allowed  
25          under subsection (a) shall be reduced by

1 the amount which bears the same ratio to  
2 the amount of such credit (determined  
3 without regard to this subparagraph) as—

4 “(I) the excess gross receipts per-  
5 centage point amount, bears to

6 “(II) 40 percentage points.

7 “(ii) EXCESS GROSS RECEIPTS PER-  
8 CENTAGE POINT AMOUNT.—For purposes  
9 of this subparagraph, the term ‘excess  
10 gross receipts percentage point amount’  
11 means, with respect to any calendar quar-  
12 ter, the excess of—

13 “(I) the lowest of the gross re-  
14 ceipts percentage point amounts with  
15 respect to any calendar quarter occur-  
16 ring during the period described in  
17 clause (iii), over

18 “(II) 50 percentage points.

19 “(iii) PERIOD DESCRIBED.—For pur-  
20 poses of applying clause (ii) to any cal-  
21 endar quarter, the period described in this  
22 clause is the period ending with such cal-  
23 endar quarter and beginning with the first  
24 calendar quarter during the period de-  
25 scribed in subparagraph (B),

1 “(iv) GROSS RECEIPTS PERCENTAGE  
2 POINT AMOUNTS.—For purposes of this  
3 subparagraph, the term ‘gross receipts per-  
4 centage point amount’ means, with respect  
5 to any calendar quarter, the percentage  
6 (expressed as a number of percentage  
7 points) obtained by dividing—

8 “(I) the gross receipts (within  
9 the meaning of subparagraph (B)) for  
10 such calendar quarter, by

11 “(II) the gross receipts for the  
12 same calendar quarter in calendar  
13 year 2019.”.

14 (3) GROSS RECEIPTS OF TAX-EXEMPT ORGANI-  
15 ZATIONS.—Section 2301(c)(2)(C) of the CARES Act  
16 is amended—

17 (A) by striking “of such Code, clauses (i)  
18 and (ii)(I)” and inserting of such Code—

19 “(i) clauses (i) and (ii)(I),

20 (B) by striking the period at the end and  
21 inserting “, and”, and

22 (C) by adding at the end the following new  
23 clause:

24 “(ii) any reference in this section to  
25 gross receipts shall be treated as a ref-

1                   erence to gross receipts within the meaning  
2                   of section 6033 of such Code.”.

3           (e) MODIFICATION OF TREATMENT OF HEALTH  
4 PLAN EXPENSES.—

5           (1) IN GENERAL.—Section 2301(c)(5) of the  
6 CARES Act is amended to read as follows:

7           “(5) WAGES.—

8                   “(A) IN GENERAL.—The term ‘wages’  
9                   means wages (as defined in section 3121(a) of  
10                   the Internal Revenue Code of 1986) and com-  
11                   pensation (as defined in section 3231(e) of such  
12                   Code).

13                   “(B) ALLOWANCE FOR CERTAIN HEALTH  
14 PLAN EXPENSES.—

15                   “(i) IN GENERAL.—Such term shall  
16                   include amounts paid or incurred by the el-  
17                   igible employer to provide and maintain a  
18                   group health plan (as defined in section  
19                   5000(b)(1) of the Internal Revenue Code  
20                   of 1986), but only to the extent that such  
21                   amounts are excluded from the gross in-  
22                   come of employees by reason of section  
23                   106(a) of such Code.

24                   “(ii) ALLOCATION RULES.—For pur-  
25                   poses of this section, amounts treated as

1 wages under clause (i) shall be treated as  
2 paid with respect to any employee (and  
3 with respect to any period) to the extent  
4 that such amounts are properly allocable to  
5 such employee (and to such period) in such  
6 manner as the Secretary may prescribe.  
7 Except as otherwise provided by the Sec-  
8 retary, such allocation shall be treated as  
9 properly made if made on the basis of  
10 being pro rata among periods of cov-  
11 erage.”.

12 (2) CONFORMING AMENDMENT.—Section  
13 2301(c)(3) of the CARES Act is amended by strik-  
14 ing subparagraph (C).

15 (f) QUALIFIED WAGES PERMITTED TO INCLUDE  
16 AMOUNTS FOR TIP REPLACEMENT.—

17 (1) IN GENERAL.—Section 2301(c)(3)(B) of the  
18 CARES Act is amended by inserting “(including tips  
19 which would have been deemed to be paid by the em-  
20 ployer under section 3121(q))” after “would have  
21 been paid”.

22 (2) CONFORMING AMENDMENT.—Section  
23 2301(h)(2) of the CARES Act is amended by insert-  
24 ing “45B or” before “45S”.

1 (g) CERTAIN GOVERNMENTAL EMPLOYERS ELIGIBLE  
2 FOR CREDIT.—

3 (1) IN GENERAL.—Section 2301(f) of the  
4 CARES Act is amended to read as follows:

5 “(f) CERTAIN GOVERNMENTAL EMPLOYERS.—

6 “(1) IN GENERAL.—The credit under this sec-  
7 tion shall not be allowed to the Federal Government  
8 or any agency or instrumentality thereof.

9 “(2) EXCEPTION.—Paragraph (1) shall not  
10 apply to any organization which is described in sec-  
11 tion 501(c)(1) of the Internal Revenue Code of 1986  
12 and exempt from tax under section 501(a) of such  
13 Code.

14 “(3) SPECIAL RULES.—In the case of any State  
15 government, Indian tribal government, or any agen-  
16 cy, instrumentality, or political subdivision of the  
17 foregoing—

18 “(A) clauses (i) and (ii)(I) of subsection  
19 (c)(2)(A) shall apply to all operations of such  
20 entity, and

21 “(B) subclause (II) of subsection  
22 (c)(2)(A)(ii) shall not apply.”.

23 (2) COORDINATION WITH APPLICATION OF CER-  
24 TAIN DEFINITIONS.—

1 (A) IN GENERAL.—Section 2301(c)(5)(A)  
2 of the CARES Act, as amended by the pre-  
3 ceding provisions of this Act, is amended by  
4 adding at the end the following: “For purposes  
5 of the preceding sentence (other than for pur-  
6 poses of subsection (b)(2)), wages as defined in  
7 section 3121(a) of the Internal Revenue Code  
8 of 1986 shall be determined without regard to  
9 paragraphs (1), (5), (6), (7), (8), (10), (13),  
10 (18), (19), and (22) of section 3212(b) of such  
11 Code (except with respect to services performed  
12 in a penal institution by an inmate thereof).”.

13 (B) CONFORMING AMENDMENTS.—Sec-  
14 tions 2301(c)(6) of the CARES Act is amended  
15 by striking “Any term” and inserting “Except  
16 as otherwise provided in this section, any  
17 term”.

18 (h) APPLICATION OF CREDIT TO EMPLOYERS OF DO-  
19 MESTIC WORKERS.—

20 (1) IN GENERAL.—Section 2301(c)(2) of the  
21 CARES Act, as amended by the preceding provisions  
22 of this Act, is amended by adding at the end the fol-  
23 lowing new subparagraph:

24 “(E) EMPLOYERS OF DOMESTIC WORK-  
25 ERS.—In the case of an employer with one or

1 more employees who perform domestic service  
2 (within the meaning of section 3121(a)(7) of  
3 such Code) in the private home of such em-  
4 ployer, with respect to such employees—

5 “(i) subparagraph (A) shall be ap-  
6 plied—

7 “(I) by substituting ‘employing  
8 an employee who performs domestic  
9 service in the private home of such  
10 employer’ for ‘carrying on a trade or  
11 business’ in clause (i) thereof, and

12 “(II) by substituting ‘such em-  
13 ployment’ for ‘the operation of the  
14 trade or business described in clause  
15 (i)’ in clause (ii)(I) thereof,

16 “(III) without regard to clause  
17 (ii)(II), and

18 “(ii) such employer shall be treated as  
19 a large employer.”.

20 (2) DENIAL OF DOUBLE BENEFIT.—Section  
21 2301(h)(2) of the CARES Act, as amended by pre-  
22 ceding provisions of this Act, is amended—

23 (A) by striking “shall not be taken into ac-  
24 count for purposes of” and inserting shall not  
25 be taken into account—



1 “(A) for purposes of”,  
2 (B) by striking the period at the end and  
3 inserting “, and”, and  
4 (C) by adding at the end the following:  
5 “(B) if such wages are paid for domestic  
6 service described in subsection (c)(2)(E), as em-  
7 ployment-related expenses for purposes of sec-  
8 tion 21 of such Code.

9 In the case of any individual who pays wages for do-  
10 mestic service described in subsection (c)(2)(E) and  
11 receives a reimbursement for such wages which is  
12 excludible from gross income under section 129 of  
13 such Code, such wages shall not be treated as quali-  
14 fied wages for purposes of this section.”.

15 (i) EFFECTIVE DATE.—The amendments made by  
16 this section shall take effect as if included in section 2301  
17 of the CARES Act.

18 **SEC. 4. REPEAL OF LIMITATION ON ENTERTAINMENT, ETC.**

19 **EXPENSES RELATED TO TRADE OR BUSINESS.**

20 (a) IN GENERAL.—Section 274 of the Internal Rev-  
21 enue Code of 1986 is amended—

22 (1) by redesignating subsection (o) as sub-  
23 section (p),

1           (2) by redesignating subsection (l), as added by  
2           section 13304(c) of Public Law 115-97, as sub-  
3           section (o), and

4           (3) by moving such subsection (o), as so redес-  
5           ignated, to the location after subsection (n).

6           (b) REPEAL.—The amendments made by subsections  
7           (a) and (b) of section 13304 of Public Law 115-97 are  
8           repealed and the provisions of law amended by such sub-  
9           sections are restored as if such subsections had never been  
10          enacted.

11          (c) CONFORMING AMENDMENT.—Subsection (d) of  
12          section 13304 of Public Law 115-97 is amended by strik-  
13          ing “subsection (o) as subsection (p)” in paragraph (1)  
14          and inserting “subsections (o) and (p) as subsections (p)  
15          and (q), respectively”.

16          (d) EFFECTIVE DATE.—

17               (1) IN GENERAL.—The amendments made by  
18               subsections (a) and (c) and the repeal made by sub-  
19               section (b) shall take effect on the date of the enact-  
20               ment of this Act.

21               (2) APPLICATION.—The provisions of law as re-  
22               stored by subsection (b) shall apply to amounts paid  
23               or incurred in taxable years ending after the date of  
24               the enactment of this Act.

1   **SEC. 5. ESTABLISHMENT OF TAX CREDIT TO SUPPORT THE**  
2                           **RESTAURANT INDUSTRY.**

3           (a) **IN GENERAL.**—For purposes of section 38 of the  
4 Internal Revenue Code of 1986, in the case of an eligible  
5 taxpayer, the restaurant and dining restart credit shall be  
6 treated as a credit listed at the end of subsection (b) of  
7 such section. For purposes of this section, the restaurant  
8 and dining restart credit for any taxable year is an amount  
9 equal to the qualified restart costs paid or incurred by the  
10 eligible taxpayer during the taxable year.

11          (b) **ELIGIBLE TAXPAYER.**—For purposes of this sec-  
12 tion, the term “eligible taxpayer” means a taxpayer—

13               (1) which owns a trade or business devoted to  
14 preparation and on-premises consumption of food  
15 and beverages, or

16               (2) which owns property on which such a trade  
17 or business operates, if more than 50 percent of the  
18 square footage of such property is devoted to prepa-  
19 ration of, and seating for on-premises consumption  
20 of, prepared meals.

21          (c) **QUALIFIED RESTART COSTS.**—For purposes of  
22 this section, the term “qualified restart costs” means any  
23 costs paid or incurred by an eligible taxpayer on or after  
24 the date of the enactment of this Act in reopening a trade  
25 or business or property described in subsection (b), or in-  
26 creasing meal and beverage services provided by such

1 trade or business or at such property, which was closed  
2 or forced to reduce services due to the virus SARS-CoV-  
3 2 or coronavirus disease 2019 (referred to in this section  
4 as “COVID-19”), including—

5 (1) any renovation, remediation, or additional  
6 labor and rental costs related to preventing individ-  
7 uals present at such trade or business or on such  
8 property from contracting COVID-19; and

9 (2) any testing of employees of the eligible tax-  
10 payer or guests of such trade or business or such  
11 property for symptoms of COVID-19.

12 For purposes of the preceding sentence, a trade or busi-  
13 ness shall be treated as having reduced services if such  
14 trade or business reduced hours of operation, number of  
15 employees or employee hours, or capacity of seating areas,  
16 closed seating areas, or took any other measures which  
17 reduced services provided or operations of the trade or  
18 business as determined by the Secretary of the Treasury.

19 (d) DENIAL OF DOUBLE BENEFIT.—No deduction  
20 shall be allowed under any provision of chapter 1 of the  
21 Internal Revenue Code of 1986 with respect to any  
22 amount taken in account in determining the credit allowed  
23 to a taxpayer under this section.

24 (e) REGULATIONS AND GUIDANCE.—The Secretary  
25 of the Treasury (or the Secretary’s delegate) may pre-

1 scribe such regulations and other guidance as may be ap-  
2 propriate or necessary to carry out the purposes of this  
3 section.

4 (f) TERMINATION.—This section shall not apply to  
5 any costs paid or incurred in taxable years beginning after  
6 December 31, 2022.

7 **SEC. 6. CREDIT FOR TRAVEL EXPENDITURES.**

8 (a) IN GENERAL.—Subpart C of part IV of sub-  
9 chapter A of chapter 1 of the Internal Revenue Code of  
10 1986 is amended by inserting after section 36 the fol-  
11 lowing new section:

12 **“SEC. 36A. CREDIT FOR TRAVEL EXPENDITURES.**

13 “(a) ALLOWANCE OF CREDIT.—In the case of an in-  
14 dividual who pays or incurs any qualified travel expenses  
15 during a taxable year, there shall be allowed as a credit  
16 against the tax imposed by this subtitle for such taxable  
17 year an amount equal to 50 percent of such expenses.

18 “(b) LIMITATIONS.—

19 “(1) DOLLAR LIMITATION.—The credit allowed  
20 under subsection (a) for any taxable year shall not  
21 exceed the sum of—

22 “(A) \$1,500 (\$750 in the case of a mar-  
23 ried individual filing a separate return), plus

1 “(B) \$500 for each qualifying child (as de-  
2 fined in section 152(c)) of the individual, but  
3 not to exceed \$1,500.

4 “(2) LIMITATION BASED ON ADJUSTED GROSS  
5 INCOME.—

6 “(A) IN GENERAL.—The amount allowable  
7 as a credit under subsection (a) (after the ap-  
8 plication of paragraph (1) and determined with-  
9 out regard to this paragraph) for the taxable  
10 year shall be reduced (but not below zero) by  
11 \$2 for every \$50 by which the taxpayer’s modi-  
12 fied adjusted gross income for such taxable year  
13 exceeds \$75,000 (\$150,000 in the case of a  
14 joint return).

15 “(B) MODIFIED ADJUSTED GROSS IN-  
16 COME.—The term ‘modified adjusted gross in-  
17 come’ means the adjusted gross income of the  
18 taxpayer for the taxable year increased by any  
19 amount excluded from gross income under sec-  
20 tion 911, 931, or 933.

21 “(c) QUALIFIED TRAVEL EXPENSE.—For purposes  
22 of this section—

23 “(1) IN GENERAL.—The term ‘qualified travel  
24 expense’ means any amount paid or incurred for  
25 travel within the United States which is at least 50

1 miles from the individual's home and includes an  
2 overnight stay, including amounts paid or incurred  
3 for food and beverages, lodging, recreation, trans-  
4 portation, amusement or entertainment, including  
5 live entertainment and sporting events, and gasoline.

6 “(2) MINIMUM AMOUNT.—Any expense (deter-  
7 mined by treating all items on a single receipt as 1  
8 expense) which is less than \$25 shall not be taken  
9 into account under paragraph (1).

10 “(3) UNITED STATES.—The term ‘United  
11 States’ includes the territories and possessions of the  
12 United States.

13 “(4) EXCEPTION.—For purposes of paragraph  
14 (1), amounts paid with respect to a residence or  
15 other lodging owned by the individual shall not be  
16 treated as qualified travel expenses.

17 “(d) ELECTION TO CARRY CREDIT TO PRECEDING  
18 YEAR.—At the election of the taxpayer, any credit allow-  
19 able under this section for a taxable year may be carried  
20 back (in its entirety) to the preceding taxable year and  
21 treated as a credit allowed under this subpart for such  
22 year.

23 “(e) RESTRICTIONS.—No credit shall be allowed to  
24 an individual under subsection (a) with respect to a quali-  
25 fied travel expense if—

1           “(1) the individual receives a refund or reim-  
2           bursement from any person for the expense,

3           “(2) a deduction is allowed under section 162  
4           with respect to the expense,

5           “(3) a deduction under section 151 with respect  
6           to individual is allowable to another taxpayer for  
7           such taxable year; or

8           “(4) the individual does not attach sufficient  
9           evidence of the expense, as prescribed by the Sec-  
10          retary, to the return of tax for such taxable year.

11          “(f) TERMINATION.—This section shall not apply to  
12          any qualified travel expenses paid or incurred after De-  
13          cember 31, 2023.”.

14          (b) CLERICAL AMENDMENT.—The table of sections  
15          for subpart C of part IV of subchapter A of chapter 1  
16          of the Internal Revenue Code of 1986 is amended by in-  
17          serting after the item relating to section 36 the following  
18          new item:

19               (c)           CONFORMING           AMENDMENT.—Section  
20          6211(b)(4)(A) of the Internal Revenue Code of 1986 is  
21          amended by inserting “, 36A” after “36”.

22          (d) EFFECTIVE DATE.—The amendments made by  
23          this section shall apply to amounts paid or incurred after  
24          December 31, 2020.