

114TH CONGRESS
1ST SESSION

S. _____

To amend the Internal Revenue Code of 1986 to make residents of Puerto Rico eligible for the earned income tax credit and to provide equitable treatment for residents of Puerto Rico with respect to the refundable portion of the child tax credit.

IN THE SENATE OF THE UNITED STATES

Mr. MENENDEZ 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 make residents of Puerto Rico eligible for the earned income tax credit and to provide equitable treatment for residents of Puerto Rico with respect to the refundable portion of the child tax credit.

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 “Earned Income Tax
5 Credit and Child Tax Credit Equity for Puerto Rico Act
6 of 2015”.

1 **SEC. 2. PUERTO RICO RESIDENTS ELIGIBLE FOR EARNED**
2 **INCOME TAX CREDIT.**

3 (a) IN GENERAL.—Section 32 of the Internal Rev-
4 enue Code of 1986 is amended by adding at the end the
5 following new subsection:

6 “(n) RESIDENTS OF PUERTO RICO.—

7 “(1) IN GENERAL.—In the case of residents of
8 Puerto Rico—

9 “(A) the United States shall be treated as
10 including Puerto Rico for purposes of sub-
11 sections (c)(1)(A)(ii)(I) and (c)(3)(C),

12 “(B) subsection (c)(1)(D) shall not apply
13 to nonresident alien individuals who are resi-
14 dents of Puerto Rico, and

15 “(C) adjusted gross income and gross in-
16 come shall be computed without regard to sec-
17 tion 933 for purposes of subsections (a)(2)(B)
18 and (c)(2)(A)(i).

19 “(2) LIMITATION.—The credit allowed under
20 this section by reason of this subsection for any tax-
21 able year shall not exceed the amount, determined
22 under regulations or other guidance promulgated by
23 the Secretary, that a similarly situated taxpayer
24 would receive if residing in a State.”.

25 (b) CHILD TAX CREDIT NOT REDUCED.—Subclause
26 (II) of section 24(d)(1)(B)(ii) of such Code is amended

1 by inserting before the period “(determined without re-
2 gard to section 32(n) in the case of residents of Puerto
3 Rico)”.

4 (c) EFFECTIVE DATE.—The amendment made shall
5 apply to taxable years beginning after December 31, 2015.

6 **SEC. 3. EQUITABLE TREATMENT FOR RESIDENTS OF PUER-**
7 **TO RICO WITH RESPECT TO THE REFUND-**
8 **ABLE PORTION OF THE CHILD TAX CREDIT.**

9 (a) IN GENERAL.—Section 24(d)(1) of the Internal
10 Revenue Code of 1986 is amended by inserting “or section
11 933” after “section 112”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 subsection (a) shall apply to taxable years beginning after
14 December 31, 2015.