

[114H2409]



(Original Signature of Member)

115TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to allow small businesses to defer the payment of certain employment taxes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. COLLINS of New York introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Internal Revenue Code of 1986 to allow small businesses to defer the payment of certain employment taxes.

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 "Main Street Revival  
5 Act of 2017".

1 **SEC. 2. DEFERRAL OF CERTAIN EMPLOYMENT TAXES BY**  
2 **SMALL BUSINESSES.**

3 (a) **IN GENERAL.**—Section 3111 of the Internal Rev-  
4 enue Code of 1986 is amended by adding at the end the  
5 following new subsection:

6 “(f) **ELECTION BY SMALL BUSINESSES TO DEFER**  
7 **PAYMENT.**—

8 “(1) **IN GENERAL.**—A specified small business  
9 may elect to pay the specified first-year employment  
10 taxes of such business in installments as provided in  
11 paragraph (2).

12 “(2) **PAYMENT IN INSTALLMENTS.**—

13 “(A) **IN GENERAL.**—If an election is made  
14 under paragraph (1), the specified first-year  
15 employment taxes shall be paid in 4 equal in-  
16 stallments. The first installment shall be paid  
17 on the date which is one year after the end of  
18 the specified first year and each succeeding in-  
19 stallment shall be paid on the date which is one  
20 year after the due date of the previous install-  
21 ment.

22 “(B) **ACCELERATION OF PAYMENT UNDER**  
23 **CERTAIN CIRCUMSTANCES.**—If there is an addi-  
24 tion to tax for failure to pay timely assessed  
25 with respect to any installment required under  
26 this subsection, a liquidation or sale of substan-

1 tially all the assets of the taxpayer (including in  
2 a title 11 or similar case), a cessation of busi-  
3 ness by the taxpayer, or any similar cir-  
4 cumstance, then the unpaid portion of all re-  
5 maining installments shall be due on the date  
6 of such event (or in the case of a title 11 or  
7 similar case, the day before the petition is  
8 filed).

9 “(C) PRORATION OF ANY DEFICIENCY TO  
10 INSTALLMENTS.—If an election is made under  
11 paragraph (1) to pay the specified first-year  
12 employment taxes in installments and a defi-  
13 ciency has been assessed, the deficiency shall be  
14 prorated to such installments. The part of the  
15 deficiency so prorated to any installment the  
16 date for payment of which has not arrived shall  
17 be collected at the same time as, and as a part  
18 of, such installment. The part of the deficiency  
19 so prorated to any installment the date for pay-  
20 ment of which has arrived shall be paid upon  
21 notice and demand from the Secretary. This  
22 subsection shall not apply if the deficiency is  
23 due to negligence, to intentional disregard of  
24 rules and regulations, or to fraud with intent to  
25 evade tax.

1           “(3) SPECIFIED SMALL BUSINESS.—For pur-  
2           poses of this section—

3           “(A) IN GENERAL.—The term ‘specified  
4           small business’ means any HUBZone business  
5           if there is a reasonable expectation as of the  
6           first day of the specified first-year that such  
7           business will not employ more than 25 full-time  
8           employees (determined under section 45R(d) by  
9           treating the specified first year as the taxable  
10          year) for such year. Such term shall not include  
11          any business unless the specified first-year of  
12          such business begins after the date of the en-  
13          actment of this subsection.

14          “(B) HUBZONE BUSINESS.—The term  
15          ‘HUBZone business’ means any employer if—

16                  “(i) every trade or business of such  
17                  employer is actively conducted within a  
18                  HUBZone, and

19                  “(ii) a substantial portion of the serv-  
20                  ices performed for such employer by its  
21                  employees are performed in a HUBZone.

22          “(C) HUBZONE.—The term ‘HUBZone’  
23          means any area which would be a historically  
24          underutilized business zone (as defined in sec-  
25          tion 3(p)(1) of the Small Business Act) if such

1 section were applied without regard to subpara-  
2 graphs (C), (D), and (E) thereof.

3 “(4) SPECIFIED FIRST-YEAR EMPLOYMENT  
4 TAXES.—For purposes of this section—

5 “(A) IN GENERAL.—The term ‘specified  
6 first-year employment taxes’ means, with re-  
7 spect to any specified small business, the taxes  
8 imposed under subsections (a) and (b) with re-  
9 spect to wages paid during the specified first-  
10 year of such business.

11 “(B) SPECIFIED FIRST-YEAR.—The term  
12 ‘specified first-year’ means, with respect to any  
13 specified small business, the 1-year period be-  
14 ginning on the first date that any employee of  
15 such business performs any service for such  
16 business.

17 “(5) AGGREGATION RULES, ETC.—All persons  
18 treated as a single employer under subsection (a) or  
19 (b) of section 52 or subsection (m) or (o) of section  
20 414 shall be treated as one person for purposes of  
21 this subsection. Any reference in this subsection to  
22 any person shall include a reference to any prede-  
23 cessor of such person.

24 “(6) TRUST FUNDS HELD HARMLESS.—Appro-  
25 priations, deposits, and transfers to the Federal Old-

1       Age and Survivors Trust Fund and the Federal Dis-  
2       ability Insurance Trust Fund established under sec-  
3       tion 201 of the Social Security Act (42 U.S.C. 401)  
4       shall be made in such amount, at such time, and in  
5       such manner as such appropriations, deposits, and  
6       transfers would be made if this subsection had never  
7       been enacted.”.

8       (b) **EFFECTIVE DATE.**—The amendment made by  
9       this section shall apply to any specified small business (as  
10      defined in section 3111(f) of the Internal Revenue Code  
11      of 1986, as added by this section) the specified first-year  
12      of which (within the meaning of such section 3111) begins  
13      after the date of the enactment of this Act.