H.R. 801 – RESERVE COMPONENT EMPLOYER INCENTIVE, COMPENSATION, AND RELIEF ACT OF 2019


RATIONALE: Supporting the Reserve and National Guard communities remains a Chamber priority.

STATUS: The bill was introduced by Rep. Tim Ryan [OH-13] on January 1, 2019 and referred to the House Committee on Ways & Means.

SUMMARY
The Reserve Component Employer Incentive, Compensation, and Relief Act of 2019 amends the IRS code to create a new tax credit for employers of National Guard and Reserve members. The tax credit would be $1,000 per employed National Guard or Reservist per year. Additional tax credits ranging from $3000-$10000 would be available dependent on time the National Guard or Reservist serves (ranging from 30 days to over 180 days).

INDUSTRY/IES IMPACTED
The impact of this bill will not be limited by industry. The credit would be available to any employer who employees a member of the National Guard or a Reservist.

SUPPORTERS
- American Veterans (AMVETS)
- Fleet Reserve Association
- Marine Corps Reserve Association
- Naval Enlisted Reserve Association
- Reserve Organization of America (ROA)
- National Guard Association of the U.S.
- Enlisted Association of the National Guard of the U.S.

OPPONENTS
- None known

ARGUMENTS IN FAVOR
- Employers of National Guard and Reservists face unique challenges, as their employees can be called up to service with little notice to support national emergencies, such as our current pandemic.
- This bill encourages and incentivizes hiring and retaining employment of members of the National Guard and Reservists.

ARGUMENTS IN OPPOSITION
- While the intent is laudable, there are many populations that deserve and need help. This bill does not demonstrate fairness with all populations.
- The Congressional Budget Office (CBO) estimate for providing this expanded tax credit is unknown.