

104TH CONGRESS  
2D SESSION

# H. R. 3858

To amend the Internal Revenue Code of 1986 to prevent, for unemployment compensation purposes, service performed by a person committed to a penal institution from being treated as employment.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 18, 1996

Mr. THOMAS introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to prevent, for unemployment compensation purposes, service performed by a person committed to a penal institution from being treated as employment.

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. TREATMENT OF CERTAIN SERVICES PER-**  
4       **FORMED BY INMATES.**

5       (a) IN GENERAL.—Subsection (c) of section 3306 of  
6       the Internal Revenue Code of 1986 (defining employment)  
7       is amended—

1           (1) by striking “or” at the end of paragraph  
2           (19),

3           (2) by striking the period at the end of para-  
4           graph (20) and inserting “; or”, and

5           (3) by adding at the end the following new  
6           paragraph:

7           “(21) service performed by a person committed  
8           to a penal institution.”

9           (b) EFFECTIVE DATE.—The amendments made by  
10          this section shall apply with respect to service performed  
11          on or after March 26, 1996.

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