

118TH CONGRESS  
1ST SESSION

# H. R. 257

To amend the Internal Revenue Code of 1986 to make residents of Puerto Rico eligible for the earned income tax credit.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 10, 2023

Miss GONZÁLEZ-COLÓN (for herself, Mr. TORRES of New York, Mr. SOTO, and Mr. MOYLAN) 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 make residents of Puerto Rico eligible for the earned income 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 Equity for Puerto Rico Act of 2023”.

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) TERMINATION OF ANNUAL REIMBURSEMENT FOR  
5 PUERTO RICO EARNED INCOME TAX CREDIT.—

6 (1) IN GENERAL.—Section 7530(a)(1) of such  
7 Code is amended by striking “calendar year 2021  
8 and each calendar year thereafter” and inserting  
9 “calendar years 2021, 2022, and 2023”.

10 (2) CONFORMING AMENDMENT.—Section  
11 7530(a)(1)(B) of such Code is amended by striking  
12 “in the case of calendar years 2021 through 2025,  
13 the lesser of” and inserting “the lesser of”.

14 (d) EFFECTIVE DATE.—The amendment made shall  
15 apply to taxable years beginning after December 31, 2023.

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