To amend the Internal Revenue Code of 1986 to establish a temporary nonrefundable personal tax credit for travel, hospitality, and entertainment expenses, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Ms. MCSALLY 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 establish a temporary nonrefundable personal tax credit for travel, hospitality, and entertainment expenses, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “American Tax Rebate and Incentive Program Act” or the “American TRIP Act”.

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SEC. 2. TEMPORARY NONREFUNDABLE PERSONAL CREDIT
FOR TRAVEL, HOSPITALITY, AND ENTERTAINMENT EXPENSES.

(a) IN GENERAL.—Subpart A of part IV of sub-
chapter A of chapter 1 of the Internal Revenue Code of
1986 is amended by inserting after section 25D the fol-
lowing new section:

“SEC. 25E. TRAVEL, HOSPITALITY, AND ENTERTAINMENT EXPENSES.

“(a) IN GENERAL.—In the case of an individual,
there shall be allowed as a credit against the tax imposed
by this chapter for the taxable year an amount equal to
the lesser of—

“(1) any eligible expenses paid or incurred by
the taxpayer during such taxable year, or

“(2) an amount equal to—

“(A) $4,000 ($8,000 in the case of a joint
return), plus

“(B) an amount equal to the product of
$500 multiplied by the number of qualifying
children (within the meaning of section 24(c))
of the taxpayer.

“(b) ELIGIBLE EXPENSES.—

“(1) IN GENERAL.—For purposes of this sec-
tion, the term ‘eligible expenses’ means any expenses
which are paid or incurred by the taxpayer during
any period of qualifying travel which are related to any of the following:

“(A) Food and beverages.
“(B) Lodging.
“(C) Transportation.
“(D) Live entertainment events (including sporting events)
“(E) Expenses related to attending a conference or business meeting.

“(2) QUALIFYING TRAVEL.—

“(A) IN GENERAL.—For purposes of this section, the term ‘qualifying travel’ means any travel—

“(i) which occurs within the United States (including any territory or possession of the United States),
“(ii) for which the final destination is not less than 50 miles from the principal residence of the taxpayer (within the meaning of section 121), and
“(iii) which occurs after December 31, 2019, and before January 1, 2022.

“(B) VACATION HOME.—For purposes of subparagraph (A)(ii), the final destination may include any other residence owned by the tax-
payer which is not the principal residence of the
taxpayer, except that any expenses paid or in-
curred by the taxpayer for lodging (as described
in paragraph (1)(B)) with respect to such resi-
dence shall not be included as eligible expenses
under this section.

“(C) USE OF PERSONAL VEHICLE.—With
respect to a motor vehicle used for qualifying
taxpayer, except that any expenses paid or in-
travel which is owned or leased by the taxpayer,
curred by the taxpayer for lodging (as described
in paragraph (1)(B)) with respect to such resi-
dence shall not be included as eligible expenses
under this section.

the amount of any vacation expenses described
in paragraph (1)(C) with respect to the use of
such motor vehicle shall be determined using
the standard mileage rate in effect under sec-
tion 162(a) at the time of such use.

“(c) EXCLUSION OF BUSINESS TRAVEL EX-
penses.—No credit shall be allowed under subsection (a)
with respect to any expenses with respect to which a de-
duction is allowed or allowable to the taxpayer under sec-
tion 162(a)(2).

“(d) REGULATIONS.—The Secretary shall prescribe
such regulations or other guidance as may be necessary
to carry out the purposes of this section, including rules
for itemization of any eligible expenses claimed by the tax-
payer (in such form and manner as is deemed appropriate
by the Secretary) for purposes of the credit allowed under
this section.”.

(b) CLERICAL AMENDMENT.—The table of sections
for subpart A of part IV of subchapter A of chapter 1
of the Internal Revenue Code of 1986 is amended by in-
serting after the item relating to section 25D the following
new item:

“Sec. 25E. Travel, hospitality, and entertainment expenses.”.

SEC. 3. DESTINATION MARKETING ORGANIZATION GRANT

PROGRAM.

(a) IN GENERAL.—The Secretary shall establish a
program to provide grants to each State to support des-
tination marketing organizations.

(b) AMOUNT.—The amount of the grant that shall
be provided to each State shall be—

(1) determined in such manner as is deemed
appropriate by the Secretary, and

(2) disbursed by the Secretary to such State
not later than 30 days after the date of enactment
of this Act.

(c) USE OF FUNDS.—Any funds provided to a State
under this section shall be transferred by such State to
any destination marketing organizations located within
such State, in such manner as is determined appropriate
by such State.

(d) DEFINITIONS.—
(1) **Destination Marketing Organization.**—The term “destination marketing organization” means a non-profit entity, a State, or a political subdivision of a State (including any instrumentality of such entities) engaged in marketing and promoting communities and facilities to businesses and leisure travelers through a range of activities, including—

(A) assisting with the location of meeting and convention sites;

(B) providing travel information on area attractions, lodging accommodations, and restaurants;

(C) providing maps; and

(D) organizing group tours of local historical, recreational, and cultural attractions.

(2) **Secretary.**—The term “Secretary” means the Secretary of Commerce.

(3) **State.**—The term “State” means any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(e) **Guidance.**—Not later than 30 days after the date of enactment of this Act, the Secretary shall prescribe
such rules and guidance as may be necessary to carry out
the purposes of this section, including any measures as
are deemed appropriate for purposes of ensuring appro-
priate transfer of funds by States under subsection (e).

(f) AUTHORIZATION OF APPROPRIATIONS.—To carry
out the purposes of this section, there is authorized to be
appropriated $50,000,000 for fiscal year 2021, to remain
available until expended.