

posed by section 3111(a) or 3221(a) of such Code if the Secretary determines that such failure was due to the anticipation of the credit allowed under this section.”

[Pub. L. 116-260, div. N, § 288(a)(1)(A), which directed amendment of section 7003(c) of Pub. L. 116-127, set out above, by inserting “, determined without regard to paragraphs (1) through (22) of section 3121(b) of such Code” after “as defined in section 3121(a) of the Internal Revenue Code of 1986”, was executed by making the insertion after “as defined in section 3121(a) of such Code” to reflect the probable intent of Congress.]

#### SPECIAL RULE RELATED TO TAX ON EMPLOYERS

Pub. L. 116-127, div. G, § 7005, Mar. 18, 2020, 134 Stat. 219, as amended by Pub. L. 116-260, div. N, title II, §§ 286(b)(5), 288(d), (e), Dec. 27, 2020, 134 Stat. 1991, 1992, provided that:

“(a) IN GENERAL.—Any wages required to be paid by reason of the Emergency Paid Sick Leave Act [div. E of Pub. L. 116-127, 29 U.S.C. 2601 note] and the Emergency Family and Medical Leave Expansion Act [div. C of Pub. L. 116-127, see Short Title of 2020 Amendment note set out under section 2601 of Title 29, Labor] (or, in the case of wages paid after December 31, 2020, and before April 1, 2021, with respect to which a credit is allowed under section 7001 [set out above] or 7003 [set out above]) shall not be considered wages for purposes of section 3111(a) of the Internal Revenue Code of 1986 or compensation for purposes of section 3221(a) of such Code. Any reference in this subsection to the tax imposed by section 3221(a) of such Code shall be treated as a reference to so much of the tax as is attributable to the rate in effect under section 3111(a) of such Code.

“(b) ALLOWANCE OF CREDIT FOR HOSPITAL INSURANCE TAXES.—

“(1) IN GENERAL.—The credit allowed by section 7001 and the credit allowed by section 7003 shall each be increased by the amount of the tax imposed by section 3111(b) of the Internal Revenue Code of 1986 and so much of the taxes imposed under section 3221(a) of such Code as are attributable to the rate in effect under section 3111(b) of such Code on qualified sick leave wages, or qualified family leave wages, for which credit is allowed under such section 7001 or 7003 (respectively).

“(2) DENIAL OF DOUBLE BENEFIT.—For denial of double benefit with respect to the credit increase under paragraph (1), see sections 7001(e)(1) and 7003(e)(1).

“(c) TRANSFERS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND.—There are hereby appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) and the Social Security Equivalent Benefit Account established under section 15A(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n-1(a)) amounts equal to the reduction in revenues to the Treasury by reason of this section (without regard to this subsection). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund or Account had this section not been enacted.”

#### § 3112. Instrumentalities of the United States

Notwithstanding any other provision of law (whether enacted before or after the enactment of this section) which grants to any instrumentality of the United States an exemption from taxation, such instrumentality shall not be exempt from the tax imposed by section 3111 unless such other provision of law grants a specific exemption, by reference to section 3111 (or the corresponding section of prior law), from the tax imposed by such section.

(Aug. 16, 1954, ch. 736, 68A Stat. 416.)

#### [§ 3113. Repealed. Pub. L. 94-455, title XIX, § 1903(a)(2), Oct. 4, 1976, 90 Stat. 1806]

Section, added Aug. 1, 1956, ch. 836, title II, § 201(a)(1), 70 Stat. 839, related to a restriction on exemptions from taxation for District of Columbia credit unions with respect to the tax imposed by section 3111 of this title.

#### EFFECTIVE DATE OF REPEAL

Repeal applicable with respect to wages paid after Dec. 31, 1976, see section 1903(d) of Pub. L. 94-455, set out as an Effective Date of 1976 Amendment note under section 3101 of this title.

#### Subchapter C—General Provisions

Sec.	
3121.	Definitions.
3122.	Federal service.
3123.	Deductions as constructive payments.
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3125.	Returns in the case of governmental employees in States, Guam, American Samoa, and the District of Columbia.
3126.	Return and payment by governmental employer.
3127.	Exemption for employers and their employees where both are members of religious faiths opposed to participation in Social Security Act programs.
3128.	Short title.

#### AMENDMENTS

1988—Pub. L. 100-647, title VIII, § 8007(a)(2), Nov. 10, 1988, 102 Stat. 3782, added item 3127 and redesignated former item 3127 as 3128.

1986—Pub. L. 99-509, title IX, § 9002(a)(2), Oct. 21, 1986, 100 Stat. 1971, added item 3126 and redesignated former item 3126 as 3127.

Pub. L. 99-272, title XIII, § 13205(a)(2)(A)(iii), Apr. 7, 1986, 100 Stat. 315, inserted “States,” in item 3125.

1965—Pub. L. 89-97, title III, § 317(c)(3), July 30, 1965, 79 Stat. 389, inserted reference to the District of Columbia in item 3125.

1960—Pub. L. 86-778, title I, § 103(q)(2), Sept. 13, 1960, 74 Stat. 940, added item 3125 and redesignated former item 3125 as 3126.

#### § 3121. Definitions

##### (a) Wages

For purposes of this chapter, the term “wages” means all remuneration for employment, including the cash value of all remuneration (including benefits) paid in any medium other than cash; except that such term shall not include—

(1) in the case of the taxes imposed by sections 3101(a) and 3111(a) that part of the remuneration which, after remuneration (other than remuneration referred to in the succeeding paragraphs of this subsection) equal to the contribution and benefit base (as determined under section 230 of the Social Security Act) with respect to employment has been paid to an individual by an employer during the calendar year with respect to which such contribution and benefit base is effective, is paid to such individual by such employer during such calendar year. If an employer (hereinafter referred to as successor employer) during any calendar year acquires substantially all the property used in a trade or business of another employer (hereinafter referred to as a predecessor), or used in a separate unit of a trade or business of a predecessor, and imme-