To amend the Internal Revenue Code of 1986 to allow a business credit for donations for vocational educational purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 14, 2011

Mr. YOUNG of Alaska (for himself, Mr. COURTNEY, and Mr. MANZULLO) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow a business credit for donations for vocational educational purposes.

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 “Public Private Vocational Partnership Act of 2011”.


SEC. 2. DONATIONS TO SECONDARY SCHOOLS AND COMMUNITY COLLEGES FOR VOCATIONAL EDUCATION PURPOSES.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following new section:

“SEC. 45S. DONATIONS TO SECONDARY SCHOOLS AND COMMUNITY COLLEGES FOR VOCATIONAL EDUCATION PURPOSES.

“(a) In General.—For purposes of section 38, in the case of a corporation (as defined in section 170(e)(4)(D)), the vocational education donation credit determined under this section for the taxable year is an amount equal to the sum of—

“(1) 90 percent of the fair market value of qualified property donations made during the taxable year, plus

“(2) the aggregate of the intern credit amounts.

“(b) Limitations.—

“(1) QUALIFIED PROPERTY DONATIONS.—The amount allowed as a credit under subsection (a)(1) shall not exceed $50,000.

“(2) INTERN CREDIT AMOUNT.—

“(A) In General.—The amount allowed as a credit under subsection (a)(2) with respect
to a qualified intern shall be the amount equal
to $100 multiplied by the number of months
during the taxable year in which the intern was
an employee of the taxpayer.

“(B) AGGREGATE PER INTERN CREDIT
AMOUNTS.—The aggregate amount allowed to
the taxpayer as a credit under subsection (a)(2)
for the taxable year shall not exceed $6,000.

“(c) QUALIFIED PROPERTY DONATIONS.—For pur-
poses of this section, the term ‘qualified property dona-
tions’ means a charitable contribution (as defined in sec-
tion 170(c)) of tangible personal property if—

“(1) the contribution is to an educational orga-
nization described in section 170(b)(1)(A)(ii) which
is a secondary school, community college, or tech-
nical school,

“(2) substantially all of the use of the property
by the donee is for use within the United States for
educational purposes that are related to the purpose
or function of the donee,

“(3) the property is not transferred by the
donee in exchange for money, other property, or
services, except for shipping, installation and trans-
fer costs,
“(4) the property will fit productively into the
donee’s education plan,
“(5) the donee’s use and disposition of the
property will be in accordance with the provisions of
paragraphs (2), (3), and (4), and
“(6) the property meets such standards, if any,
as the Secretary may prescribe by regulation to as-
sure that the property meets minimum functionality
and suitability standards for educational purposes.
“(d) QUALIFIED INTERN.—For purposes of this sec-
tion—
“(1) IN GENERAL.—The term ‘qualified intern’
means an individual—
“(A) who is enrolled full-time as a student
in a secondary school or community college, and
“(B) who is employed for not more than
20 hours per week by the taxpayer as part of
a vocational education course approved by such
school or college.
“(2) SECONDARY SCHOOL.—The term ‘sec-
ondary school’ means a secondary school (as defined
by section 9101(38) of the Elementary and Sec-
ondary Education Act of 1965 (20 U.S.C. 7801(38))
which offers a program of education in vocational
education.
“(3) COMMUNITY COLLEGE.—The term ‘community college’ means a public or nonprofit private postsecondary regionally accredited institution that provides not less than a 2-year program of instruction that is acceptable for full credit toward a bachelor’s degree at an accredited institution and whose highest degree offered is predominantly the associate degree.

“(e) AGGREGATION RULE.—For purposes of subsection (b), all persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (n) or (o) of section 414 shall be treated as one person.

“(f) COORDINATION WITH SECTION 170(b).—The limitation which would (but for this subsection) apply under section 170(b) for any taxable year shall be reduced (but not below zero) by the fair market value of property taken into account in determining the credit allowed under subsection (a)(1) for such year.”.

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Subsection (b) of section 38 of such Code (relating to general business credit) is amended by striking “plus” at the end of paragraph (35), by striking the period at the end of paragraph (36) and inserting “, plus”, and by adding at the end the following new paragraph:
“(37) in the case of a corporation (as defined in section 170(e)(4)(D)), the vocational education donation credit determined under section 45S(a).”.

(c) DENIAL OF DOUBLE BENEFIT.—Section 280C of such Code (relating to certain expenses for which credits are allowable) is amended by adding at the end the following new subsection:

“(i) VOCATIONAL EDUCATION DONATIONS.—The deduction otherwise allowed for amounts taken into account under section 45S shall be reduced by the amount of the credit determined under section 45S(a) with respect to such amounts.”.

(d) CONFORMING AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

“45S. Donations to secondary schools and community colleges for vocational education purposes.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.