

106TH CONGRESS
1ST SESSION

H. R. 204

To amend the Internal Revenue Code of 1986 to allow employers a credit against income tax for high technology job training expenses.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1999

Mr. MORAN of Virginia 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 employers a credit against income tax for high technology job training expenses.

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. CREDIT FOR HIGH TECHNOLOGY JOB TRAIN-**
4 **ING EXPENSES.**

5 (a) IN GENERAL.—Subpart D of part IV of sub-
6 chapter A of chapter 1 of the Internal Revenue Code of
7 1986 (relating to business related credits) is amended by
8 adding at the end the following:

1 **“SEC. 45D. CREDIT FOR HIGH TECHNOLOGY JOB TRAINING.**

2 “(a) GENERAL RULE.—For purposes of section 38,
3 the high technology job training credit determined under
4 this section is an amount equal to 50 percent of the quali-
5 fied high technology job training expenses paid or incurred
6 by the taxpayer during the taxable year.

7 “(b) LIMITATION.—The credit allowed under sub-
8 section (a) shall not exceed \$2,500 for the taxable year
9 with respect to each substantially full-time employee.

10 “(c) QUALIFIED HIGH TECHNOLOGY JOB TRAINING
11 EXPENSE.—For purposes of this section—

12 “(1) IN GENERAL.—The term ‘qualified high
13 technology job training expense’ means any expense
14 for educational assistance described in paragraph (1)
15 of section 127(c) for the training of a substantially
16 full-time employee in an information technology oc-
17 cupation.

18 “(2) EXCEPTIONS.—Such term does not
19 include—

20 “(A) expenses for which any other Federal
21 or State credit or payment is made; or

22 “(B) expenses paid or incurred for a pro-
23 fessional conference or for an orientation pro-
24 gram.

25 “(d) INFORMATION TECHNOLOGY OCCUPATION.—
26 For purposes of this section, the term ‘information tech-

1 nology occupation’ means an occupation specializing in the
2 study, design, development, implementation, support, or
3 management of computer based information systems, such
4 as computer scientist, computer engineer, systems analyst,
5 or computer programmer.

6 “(e) SUBSTANTIALLY FULL-TIME EMPLOYEE.—For
7 purposes of this section, the term ‘substantially full-time
8 employee’ means an employee of the taxpayer who is nor-
9 mally employed for at least 30 hours per week.

10 “(f) AGGREGATION RULES.—All persons treated as
11 a single employer under subsection (a) or (b) of section
12 52 or subsection (m) or (o) of section 414 shall be treated
13 as one person for purposes of this section.

14 “(g) TERMINATION.—This section shall not apply to
15 any expenses paid or incurred after December 31, 2003.”

16 (b) CURRENT YEAR BUSINESS CREDIT CALCULA-
17 TION.—Subsection (b) of section 38 of such Code is
18 amended—

19 (1) by striking “plus” at the end of paragraph
20 (11);

21 (2) by striking the period at the end of para-
22 graph (12) and inserting “, plus”; and

23 (3) by adding at the end the following:

24 “(13) the high technology job training credit
25 determined under section 45D(a).”

1 (c) DISALLOWANCE OF DEDUCTION BY AMOUNT OF
 2 CREDIT.—Section 280C of such Code (relating to certain
 3 expenses for which credits are allowable) is amended by
 4 adding at the end the following:

5 “(d) CREDIT FOR CERTAIN JOB TRAINING EX-
 6 PENSES.—No deduction shall be allowed for that portion
 7 of the qualified high technology job training expenses (as
 8 defined in section 45D(c)) paid or incurred during the tax-
 9 able year that is equal to the amount of credit determined
 10 for the taxable year under section 45D(a). In the case of
 11 a corporation which is a member of a controlled group of
 12 corporations (within the meaning of section 52(a)) or a
 13 trade or business which is treated as being under common
 14 control with other trades or businesses (within the mean-
 15 ing of section 52(b)), this subsection shall be applied
 16 under rules prescribed by the Secretary similar to the
 17 rules applicable under subsections (a) and (b) of section
 18 52.”

19 (d) DEDUCTION FOR UNUSED CREDIT.—Subsection
 20 (c) of section 196 of such Code is amended—

21 (1) by striking “and” at the end of paragraph

22 (6);

23 (2) by striking the period at the end of para-
 24 graph (7) and inserting “, and”; and

25 (3) by adding at the end the following:

1 “(8) the high technology job training credit de-
2 termined under section 45D(a).”

3 (e) LIMITATION ON CARRYBACK.—Subsection (d) of
4 section 39 of such Code is amended by adding at the end
5 the following:

6 “(8) NO CARRYBACK OF HIGH TECHNOLOGY
7 JOB TRAINING CREDIT BEFORE EFFECTIVE DATE.—
8 No amount of unused business credit available under
9 section 45D may be carried back to a taxable year
10 beginning on or before the date of the enactment of
11 this paragraph.”

12 (f) CLERICAL AMENDMENT.—The table of sections
13 for subpart D of part IV of subchapter A of chapter 1
14 of such Code is amended by inserting after the item relat-
15 ing to section 45C the following:

 “Sec. 45D. Credit for high technology job training.”

16 (g) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years beginning after
18 the date of the enactment of this Act.

○