

106TH CONGRESS
1ST SESSION

S. 1127

To amend the Internal Revenue Code of 1986 to eliminate the 2-percent floor on miscellaneous itemized deductions for reasonable and incidental expenses related to instruction, teaching, or other educational job-related activities.

IN THE SENATE OF THE UNITED STATES

MAY 26, 1999

Mr. COVERDELL (for himself and Ms. COLLINS) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to eliminate the 2-percent floor on miscellaneous itemized deductions for reasonable and incidental expenses related to instruction, teaching, or other educational job-related activities.

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; AMENDMENT TO 1986 CODE.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Teacher Deduction for Incidental Expenses Act”.

6 (b) AMENDMENT OF 1986 CODE.—Except as other-
7 wise expressly provided, whenever in this title an amend-
8 ment or repeal is expressed in terms of an amendment

1 to, or repeal of, a section or other provision, the reference
2 shall be considered to be made to a section or other provi-
3 sion of the Internal Revenue Code of 1986.

4 **SEC. 2. FINDINGS AND PURPOSE.**

5 (a) FINDINGS.—Congress finds that—

6 (1) the foundation of American freedom and de-
7 mocracy is a strong, effective system of education in
8 which every child has the opportunity to learn in a
9 safe and nurturing environment;

10 (2) America’s first rate education system de-
11 pends on a partnership between parents, principals,
12 teachers, and children;

13 (3) the success of our Nation for much of the
14 20th century is the result of the hard work and
15 dedication of teachers across the land;

16 (4) while many people spend their lives building
17 careers, teachers spend their careers building lives;

18 (5) our Nation’s teachers serve our children be-
19 yond the call of duty as coaches, mentors, and advi-
20 sors without regard to fame or fortune;

21 (6) teachers are often the first to enter the
22 school yard in the morning, as well as, the last to
23 leave in the evening—correcting papers, preparing
24 lessons, or helping a struggling student;

1 (7) many teachers spend money out of their
 2 own pockets to buy paper for art class, pencils for
 3 writing, workbooks for math, and other supplies that
 4 help teachers teach and students learn; and

5 (8) often these incidental expenses that assist
 6 teachers in their mission and provide our students
 7 with enhanced learning experiences go unreimbursed
 8 by the school or the local district.

9 (b) PURPOSE.—The purpose of this Act is to allow
 10 teachers and other education professionals to deduct rea-
 11 sonable and miscellaneous expenses related to education,
 12 teaching, or instruction from their adjusted income.

13 **SEC. 3. 2-PERCENT FLOOR ON MISCELLANEOUS ITEMIZED**
 14 **DEDUCTIONS NOT TO APPLY TO QUALIFIED**
 15 **INCIDENTAL EXPENSES OF ELEMENTARY**
 16 **AND SECONDARY SCHOOL TEACHERS.**

17 (a) IN GENERAL.—Section 67(b) (defining miscella-
 18 neous itemized deductions) is amended by striking “and”
 19 at the end of paragraph (11), by striking the period at
 20 the end of paragraph (12) and inserting “, and”, and by
 21 adding at the end the following new paragraph:

22 “(13) any deduction allowable for the qualified
 23 incidental expenses of an eligible teacher.”

1 (b) DEFINITIONS.—Section 67 (relating to 2-percent
 2 floor on miscellaneous itemized deductions) is amended by
 3 adding at the end the following new subsection:

4 “(g) QUALIFIED INCIDENTAL EXPENSES OF ELIGI-
 5 BLE TEACHERS.—For purposes of subsection (b)(13)—

6 “(1) QUALIFIED INCIDENTAL EXPENSES.—

7 “(A) IN GENERAL.—The term ‘qualified
 8 incidental expenses’ means expenses paid or in-
 9 curred by an eligible teacher in an amount not
 10 to exceed \$250 for any taxable year—

11 “(i) for books, supplies, and equip-
 12 ment related to instruction, teaching, or
 13 other educational job-related activities of
 14 such eligible teacher, and

15 “(ii) with respect to which a deduction
 16 is allowable under section 162 (determined
 17 without regard to this section).

18 “(B) SPECIAL RULE FOR HOME-
 19 SCHOOLING.—Such term shall include expenses
 20 described in subparagraph (A)(i) in connection
 21 with education provided by homeschooling if the
 22 requirements of any applicable State or local
 23 law are met with respect to such education.

24 “(2) ELIGIBLE TEACHER.—

1 “(A) IN GENERAL.—The term ‘eligible
2 teacher’ means an individual who is a kinder-
3 garten through grade 12 classroom teacher, in-
4 structor, counselor, aide, or principal in an ele-
5 mentary or secondary school.

6 “(B) ELEMENTARY OR SECONDARY
7 SCHOOL.—The terms ‘elementary school’ and
8 ‘secondary school’ have the meanings given
9 such terms by section 14101 of the Elementary
10 and Secondary Education Act of 1965 (20
11 U.S.C. 8801), as so in effect.”

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to taxable years beginning after
14 December 31, 1999.

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