

107TH CONGRESS
1ST SESSION

S. 762

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for information technology training expenses, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 24, 2001

Mr. CONRAD (for himself, Ms. SNOWE, Mr. REID, Mr. DEWINE, Mr. ROCKEFELLER, and Mr. JOHNSON) 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 allow a credit against income tax for information technology training expenses, and for other 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 “Technology Education
5 and Training Act of 2001”.

1 **SEC. 2. CREDIT FOR INFORMATION TECHNOLOGY TRAIN-**
 2 **ING PROGRAM EXPENSES.**

3 (a) IN GENERAL.—Subpart B of part IV of sub-
 4 chapter A of chapter 1 of the Internal Revenue Code of
 5 1986 is amended by adding at the end the following:

6 **“SEC. 30B. INFORMATION TECHNOLOGY TRAINING PRO-**
 7 **GRAM EXPENSES.**

8 “(a) GENERAL RULE.—In the case of a taxpayer en-
 9 gaged in a trade or business during the taxable year, there
 10 shall be allowed as a credit against the tax imposed by
 11 this chapter for such taxable year an amount equal to 100
 12 percent of information technology training program ex-
 13 penses of the taxpayer and any employee of the taxpayer
 14 paid or incurred by the taxpayer during such taxable year.

15 “(b) LIMITATION.—

16 “(1) IN GENERAL.—The amount of information
 17 technology training program expenses with respect
 18 to any individual which may be taken into account
 19 under subsection (a) for the taxable year shall not
 20 exceed \$1,500.

21 “(2) INCREASE IN CREDIT AMOUNT FOR PAR-
 22 TICIPATION IN CERTAIN PROGRAMS AND FOR CER-
 23 TAIN INDIVIDUALS.—The dollar amount in para-
 24 graph (1) shall be increased (but not above \$2,000)
 25 by the amount of information technology training

1 program expenses paid or incurred by the
2 taxpayer—

3 “(A) with respect to a program operated—

4 “(i) in an empowerment zone or en-
5 terprise community designated under part
6 I of subchapter U or a renewal community
7 designated under part I of subchapter X,

8 “(ii) in a school district in which at
9 least 50 percent of the students attending
10 schools in such district are eligible for free
11 or reduced-cost lunches under the school
12 lunch program established under the Na-
13 tional School Lunch Act,

14 “(iii) in an area designated as a dis-
15 aster area by the Secretary of Agriculture
16 or by the President under the Disaster Re-
17 lief and Emergency Assistance Act in the
18 taxable year or the 4 preceding taxable
19 years,

20 “(iv) in a rural enterprise community
21 designated under section 766 of the Agri-
22 culture, Rural Development, Food and
23 Drug Administration, and Related Agen-
24 cies Appropriations Act, 1999,

1 “(v) in an area designated by the Sec-
 2 retary of Agriculture as a Rural Economic
 3 Area Partnership Zone,

4 “(vi) in an area over which an Indian
 5 tribal government (as defined in section
 6 7701(a)(40)) has jurisdiction, or

7 “(vii) by an employer who has 200 or
 8 fewer employees for each business day in
 9 each of 20 or more calendar weeks in the
 10 current or preceding calendar year, or

11 “(B) in the case of an individual with a
 12 disability.

13 “(c) INFORMATION TECHNOLOGY TRAINING PRO-
 14 GRAM EXPENSES.—For purposes of this section—

15 “(1) IN GENERAL.—The term ‘information
 16 technology training program expenses’ means ex-
 17 penses paid or incurred by reason of the participa-
 18 tion of the taxpayer (or any employee of the tax-
 19 payer) in any information technology training pro-
 20 gram if such expenses lead to an industry-accepted
 21 information technology certification for the partici-
 22 pant. Such term shall only include includes expenses
 23 paid for in connection with course work and certifi-
 24 cation testing which is essential to assessing skill ac-
 25 quisition.

1 “(2) INFORMATION TECHNOLOGY TRAINING
2 PROGRAM.—The term ‘information technology train-
3 ing program’ means a program for an industry-ac-
4 cepted information technology certification—

5 “(A) by any information technology trade
6 association or corporation, and

7 “(B) which—

8 “(i) is provided for the employees of
9 such association or corporation, or

10 “(ii) involves—

11 “(I) employers, and

12 “(II) State training programs,
13 school districts, university systems,
14 higher education institutions (as de-
15 fined in section 101(b) of the Higher
16 Education Act of 1965), or certified
17 commercial information technology
18 training providers.

19 “(3) CERTIFIED COMMERCIAL INFORMATION
20 TECHNOLOGY TRAINING PROVIDER.—

21 “(A) IN GENERAL.—The term ‘certified
22 commercial information technology training
23 provider’ means a private sector organization
24 providing an information technology training
25 program which leads to an approved informa-

1 tion technology industry certification for the
2 participants.

3 “(B) APPROVED INDUSTRY CERTIFI-
4 CATION.—For purposes of paragraph (1), an in-
5 formation technology industry certification shall
6 be considered approved if such certification is
7 approved by the Secretary, in consultation with
8 the Information Technology Training Certifi-
9 cation Advisory Board.

10 “(d) DENIAL OF DOUBLE BENEFIT.—No deduction
11 or credit under any other provision of this chapter shall
12 be allowed with respect to information technology training
13 program expenses taken into account for the credit under
14 this section.

15 “(e) CERTAIN RULES MADE APPLICABLE.—For pur-
16 poses of this section, rules similar to the rules of section
17 45A(e)(2) and subsections (c), (d), and (e) of section 52
18 shall apply.

19 “(f) APPLICATION WITH OTHER CREDITS.—The
20 credit allowed by subsection (a) for any taxable year shall
21 not exceed the excess (if any) of—

22 “(1) the regular tax for the taxable year re-
23 duced by the sum of the credits allowable under the
24 subpart A and the previous sections of this subpart,
25 over

1 “(2) the tentative minimum tax for the taxable
2 year.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 for subpart B of part IV of subchapter A of chapter 1
5 of the Internal Revenue Code of 1986 is amended by add-
6 ing at the end the following:

“Sec. 30B. Information technology training program expenses.”.

7 (c) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to amounts paid or incurred in tax-
9 able years beginning after December 31, 2001.

10 **SEC. 3. INFORMATION TECHNOLOGY TRAINING CERTIFI-**
11 **CATION ADVISORY BOARD.**

12 (a) ESTABLISHMENT.—There is established an Infor-
13 mation Technology Training Certification Advisory Board
14 (in this section referred to as the “Board”).

15 (b) MEMBERSHIP.—The Board shall be composed of
16 not more than 15 members appointed by the Secretary
17 of the Treasury from among individuals—

18 (1) associated with information technology cer-
19 tification and training associations and businesses;
20 and

21 (2) who are not officers or employees of the
22 Federal Government.

23 (c) MEETINGS.—The Board shall meet not less often
24 than annually.

25 (d) CHAIRPERSON.—

1 (1) IN GENERAL.—Subject to paragraph (2),
 2 the Board shall elect a Chairperson from among its
 3 members.

4 (2) CHAIRPERSON.—The chairperson shall be
 5 an individual who is a member of an information
 6 technology industry trade association.

7 (e) DUTIES.—The Board shall develop a list of infor-
 8 mation technology industry certifications, for approval by
 9 the Secretary of the Treasury, that qualify the provider
 10 of the certification as a certified commercial information
 11 technology training provider under section 30B(e)(3) of
 12 the Internal Revenue Code of 1986, as added by section
 13 (2)(a).

14 (f) SUBMISSION OF LIST.—Not later than October 1,
 15 2001, and each year thereafter, the Board shall submit
 16 the list required under subsection (e) to the Secretary of
 17 the Treasury.

18 (g) BOARD PERSONNEL MATTERS.—

19 (1) COMPENSATION OF MEMBERS.—Each mem-
 20 ber of the Board shall serve without compensation.

21 (2) TRAVEL EXPENSES.—Each member of the
 22 Board shall be allowed travel expenses, including per
 23 diem in lieu of subsistence, at rates authorized for
 24 employees of agencies under subchapter I of chapter
 25 57 of title 5, United States Code, while away from

(h) TERMINATION OF THE BOARD.—Section 14(b) of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Board.

6 SEC. 4. HOPE SCHOLARSHIP AND LIFETIME LEARNING
7 CREDITS INCLUDE TECHNOLOGY TRAINING
8 CENTERS.

9 (a) IN GENERAL.—Section 25A(f)(2) of the Internal
10 Revenue Code of 1986 (relating to eligible educational in-
11 stitution) is amended to read as follows:

12 “(2) ELIGIBLE EDUCATIONAL INSTITUTION.—

13 The term ‘eligible educational institution’ means—

14 “(A) an institution—

15 “(i) which is described in section
16 101(b) of the Higher Education Act of
17 1965, and

“(ii) which is eligible to participate in
a program under title IV of such Act, or

20 “(B) a certified commercial information
21 technology training provider (as defined in sec-
22 tion 30B(c)(3)).”.

23 (b) CONFORMING AMENDMENT.—The second sen-
24 tence of section 221(e)(2) of the Internal Revenue Code

1 of 1986 is amended by striking “section 25A(f)(2)” and
2 inserting “section 25A(f)(2)(A)”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 December 31, 2001.

