

108TH CONGRESS  
1ST SESSION

# H. R. 3338

To amend the Internal Revenue Code of 1986 to provide a tax incentive to individuals teaching in elementary and secondary schools located in rural or high unemployment areas and to individuals who achieve certification from the National Board for Professional Teaching Standards, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 17, 2003

Mr. POMEROY (for himself and Mr. OSBORNE) introduced the following bill;  
which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide a tax incentive to individuals teaching in elementary and secondary schools located in rural or high unemployment areas and to individuals who achieve certification from the National Board for Professional Teaching Standards, 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 “Incentives to Educate  
5       American Children (I Teach) Act of 2003”.

1 **SEC. 2. FINDINGS AND PURPOSES.**

2 (a) FINDINGS.—Congress makes the following find-  
3 ings:

4 (1) An estimated 2,000,000 new teachers will  
5 be needed over the next decade.

6 (2) Under the No Child Left Behind Act of  
7 2001, States must recruit qualified teachers by  
8 2006, yet schools in rural areas and public schools  
9 with high poverty have trouble attracting and retain-  
10 ing teachers.

11 (3) Fourteen percent of America’s school chil-  
12 dren attend rural schools, and according to the  
13 Rural School and Community Trust 2000 report,  
14 “Why Rural Matters”, rural education is crucial or  
15 very important to overall education performance in  
16 25 States, so recruitment and retention of teachers  
17 is essential.

18 (4) A 2000 study by the Education Trust re-  
19 ports that high poverty schools are twice as likely  
20 not to have teachers certified in their fields than  
21 other schools, which highlights that high poverty  
22 schools will need special help to meet the goals of  
23 the No Child Left Behind Act of 2001.

24 (5) The National Board for Professional Teach-  
25 ing Standards was founded in 1987 as a follow up  
26 to the landmark 1983 report, “A Nation at Risk”,

1 by the Carnegie Task Force on Teaching. The Na-  
2 tional Board for Professional Teaching Standards is  
3 an independent, nonprofit, and nonpartisan organi-  
4 zation the mission of which is to establish high and  
5 rigorous standards for what accomplished teachers  
6 should know and be able to do.

7 (6) Over 16,000 teachers from all 50 States  
8 and the District of Columbia have completed certifi-  
9 cation by the National Board for Professional  
10 Teaching Standards, which certification is a rigorous  
11 assessment process for teachers.

12 (7) Recent data from the Accomplished Teach-  
13 ing Validation Study have demonstrated that teach-  
14 ers who are certified by the National Board for Pro-  
15 fessional Teaching Standards significantly out-  
16 perform their peers who are not National Board cer-  
17 tified on 11 of 13 key measures of teaching exper-  
18 tise.

19 (8) Teacher salaries have remained stagnant  
20 over the past decade, according to a study by the  
21 National Education Association, and  $\frac{2}{3}$  of the  
22 States do not meet the national average of \$40,582  
23 for teacher salaries.

24 (b) PURPOSES.—The purposes of this Act are as fol-  
25 lows:

1           (1) To encourage teachers, through a refund-  
 2           able tax credit, to work in public elementary and  
 3           secondary schools located in rural areas or schools  
 4           with high poverty.

5           (2) To provide an additional tax credit to teach-  
 6           ers who achieve certification from the National  
 7           Board for Professional Teaching Standards in order  
 8           to recruit and retain highly qualified teachers in  
 9           public elementary and secondary schools.

10 **SEC. 3. REFUNDABLE TAX CREDIT FOR INDIVIDUALS**  
 11 **TEACHING IN ELEMENTARY AND SECONDARY**  
 12 **SCHOOLS LOCATED IN HIGH POVERTY OR**  
 13 **RURAL AREAS AND CERTIFIED TEACHERS.**

14       (a) IN GENERAL.—Subpart C of part IV of sub-  
 15 chapter A of chapter 1 of the Internal Revenue Code of  
 16 1986 (relating to refundable credits) is amended by redес-  
 17 ignating section 36 as section 37 and by inserting after  
 18 section 35 the following new section:

19 **“SEC. 36. TAX CREDIT FOR INDIVIDUALS TEACHING IN ELE-**  
 20 **MENTARY AND SECONDARY SCHOOLS LO-**  
 21 **CATED IN HIGH POVERTY OR RURAL AREAS**  
 22 **AND CERTIFIED TEACHERS.**

23       “(a) ALLOWANCE OF CREDIT.—In the case of an eli-  
 24 gible teacher, there shall be allowed as a credit against  
 25 the tax imposed by this subtitle for the taxable year an

1 amount equal to the applicable amount for the eligible aca-  
2 demic year ending during such taxable year.

3 “(b) APPLICABLE AMOUNT.—For purposes of this  
4 section—

5 “(1) TEACHERS IN SCHOOLS IN RURAL AREAS  
6 OR SCHOOLS WITH HIGH POVERTY.—

7 “(A) IN GENERAL.—In the case of an eligi-  
8 ble teacher who performs services in a public  
9 kindergarten or a public elementary or sec-  
10 ondary school described in subparagraph (B)  
11 during the eligible academic year, the applicable  
12 amount is \$1,000.

13 “(B) SCHOOL DESCRIBED.—A public kin-  
14 dergarten or a public elementary or secondary  
15 school is described in this subparagraph if—

16 “(i) at least 75 percent of the stu-  
17 dents attending such kindergarten or  
18 school receive free or reduced-cost lunches  
19 under the school lunch program established  
20 under the Richard B. Russell National  
21 School Lunch Act, or

22 “(ii) such kindergarten or school has  
23 a School Locale Code of 7 or 8, as deter-  
24 mined by the Secretary of Education.

1           “(2) CERTIFIED TEACHERS.—In the case of an  
 2           eligible teacher who is certified by the National  
 3           Board for Professional Teaching Standards for the  
 4           eligible academic year, the applicable amount is  
 5           \$1,000.

6           “(3) CERTIFIED TEACHERS IN SCHOOLS IN  
 7           RURAL AREAS OR SCHOOLS WITH HIGH POVERTY.—  
 8           In the case of an eligible teacher described in para-  
 9           graphs (1) and (2), the applicable amount is \$2,000.

10          “(c) ELIGIBLE TEACHER.—For purposes of this sec-  
 11          tion, the term ‘eligible teacher’ means, for any eligible aca-  
 12          demic year, an individual who is a kindergarten through  
 13          grade 12 classroom teacher or instructor in a public kin-  
 14          dergarten or a public elementary or secondary school on  
 15          a full-time basis for such eligible academic year.

16          “(d) ADDITIONAL DEFINITIONS.—For purposes of  
 17          this section—

18                 “(1)       ELEMENTARY        AND       SECONDARY  
 19               SCHOOLS.—The terms ‘elementary school’ and ‘sec-  
 20               ondary school’ have the respective meanings given  
 21               such terms by section 9101 of the Elementary and  
 22               Secondary Education Act of 1965.

23                 “(2) ELIGIBLE ACADEMIC YEAR.—The term ‘el-  
 24               igible academic year’ means any academic year end-

1       ing in a taxable year beginning after December 31,  
2       2003.”.

3       (b) CONFORMING AMENDMENTS.—

4           (1) Paragraph (2) of section 1324(b) of title  
5       31, United States Code, is amended by inserting be-  
6       fore the period “, or from section 36 of such Code”.

7           (2) The table of sections for subpart C of part  
8       IV of subchapter A of chapter 1 of the Internal Rev-  
9       enue Code of 1986 is amended by striking the item  
10      relating to section 36 and inserting the following  
11      new items:

“36. Tax credit for individuals teaching in elementary and secondary schools lo-  
cated in high poverty or rural areas and certified teachers.

“37. Overpayments of tax.”.

12      (c) EFFECTIVE DATE.—The amendments made by  
13      this section shall apply to academic years ending in tax-  
14      able years beginning after December 31, 2003.

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