

109TH CONGRESS
1ST SESSION

H. R. 986

To amend the Internal Revenue Code of 1986 to provide a tax credit for teachers and principals who work in certain low income schools.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 2005

Mrs. WILSON of New Mexico (for herself, Mr. BOSWELL, Mr. BERRY, Mr. BOEHNER, Mr. CARDOZA, Mr. DAVIS of Alabama, Mr. ENGLISH of Pennsylvania, Mr. ETHERIDGE, Mr. HOLT, Mr. HOLDEN, Ms. MILLENDER-MCDONALD, Mr. KENNEDY of Rhode Island, Mr. PEARCE, Mr. MOORE of Kansas, Mr. PAUL, Mr. SHIMKUS, Mr. SIMPSON, Mr. TIBERI, Mr. SHERMAN, Mr. WILSON of South Carolina, Mr. SIMMONS, Mr. UDALL of New Mexico, Mr. SOUDER, Mr. MILLER of Florida, Ms. CARSON, Mr. ALLEN, Mr. BEAUPREZ, and Mr. DAVIS of Kentucky) 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 provide a tax credit for teachers and principals who work in certain low income schools.

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 “Teacher Tax Credit
5 Act of 2005”.

1 **SEC. 2. CREDIT FOR EDUCATORS IN CERTAIN ELEMENTARY**
2 **OR SECONDARY SCHOOLS.**

3 (a) IN GENERAL.—Subpart A of part IV of sub-
4 chapter A of chapter 1 of the Internal Revenue Code of
5 1986 (relating to nonrefundable personal credits) is
6 amended by inserting after section 25B the following new
7 section:

8 **“SEC. 25C. EDUCATORS IN CERTAIN ELEMENTARY AND**
9 **SECONDARY SCHOOLS.**

10 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-
11 gible educator, there shall be allowed as a credit against
12 the tax imposed by this chapter for a taxable year an
13 amount equal to \$2,000.

14 “(b) DEFINITIONS.—For purposes of this section—

15 “(1) ELIGIBLE EDUCATOR.—The term ‘eligible
16 educator’ means, with respect to any taxable year,
17 an individual who is a teacher, instructor, counselor,
18 principal, or aide in any of grades kindergarten
19 through 12 in an eligible elementary or secondary
20 school for at least 900 hours during a school year.

21 “(2) ELIGIBLE ELEMENTARY OR SECONDARY
22 SCHOOL.—The term ‘eligible elementary or sec-
23 ondary school’ means any school that is eligible for
24 schoolwide assistance under section 1114(a)(1) of
25 title I of the Elementary and Secondary Education
26 Act of 1965.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
2 for subpart A of part IV of subchapter A of chapter 1
3 of such Code is amended by inserting after the item relat-
4 ing to section 25B the following new item:

“Sec. 25C. Educators in certain elementary and secondary schools.”.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to taxable years beginning after
7 December 31, 2004.

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