

110TH CONGRESS  
1ST SESSION

# H. R. 1059

To amend the Internal Revenue Code of 1986 to provide a tax credit for elementary and secondary school teachers.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 14, 2007

Mr. PAUL 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 credit for elementary and secondary school teachers.

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 Cut Act  
5 of 2007”.

6 **SEC. 2. CREDIT FOR TEACHERS OF ELEMENTARY OR SEC-**  
7 **ONDARY SCHOOLS.**

8 (a) IN GENERAL.—Subpart A of part IV of sub-  
9 chapter A of chapter 1 of the Internal Revenue Code of  
10 1986 (relating to nonrefundable personal credits) is

1 amended by inserting after section 25D the following new  
2 section:

3 **“SEC. 25E. ELEMENTARY AND SECONDARY SCHOOL TEACH-**  
4 **ERS.**

5 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-  
6 gible individual, there shall be allowed as a credit against  
7 the tax imposed by this chapter for the taxable year an  
8 amount equal to \$3,000.

9 “(b) DEFINITIONS.—

10 “(1) ELIGIBLE INDIVIDUAL.—

11 “(A) IN GENERAL.—Except as provided in  
12 subparagraph (B), for purposes of subsection  
13 (a), the term ‘eligible individual’ means an indi-  
14 vidual who—

15 “(i) is a teacher in an elementary or  
16 secondary school, and

17 “(ii) is employed on a full-time basis  
18 for an academic year ending during the  
19 taxable year.

20 “(B) EXCLUDED INDIVIDUALS.—Such  
21 term does not include an individual who is em-  
22 ployed, on a full-time basis for such academic  
23 year, as other staff (as defined in section  
24 9101(29) of the Elementary and Secondary  
25 Education Act of 1965 (20 U.S.C. 7801(29))).

1 “(2) ELEMENTARY OR SECONDARY SCHOOL.—

2 The term ‘elementary or secondary school’ means  
3 any organization described in section  
4 170(b)(1)(A)(ii) which provides education solely at  
5 or below the 12th grade.

6 “(c) COST-OF-LIVING ADJUSTMENT.—

7 “(1) IN GENERAL.—In the case of any taxable  
8 year beginning in a calendar year after 2007, the  
9 \$3,000 amount contained in subsection (a) shall be  
10 increased by—

11 “(A) such amount, multiplied by

12 “(B) the cost-of-living adjustment deter-  
13 mined under section 1(f)(3) for the calendar  
14 year in which the taxable year begins, by sub-  
15 stituting ‘calendar year 2006’ for ‘calendar year  
16 1992’ in subparagraph (B) thereof.

17 “(2) ROUNDING.—If any increase determined  
18 under paragraph (1) is not a multiple of \$10, such  
19 increase shall be rounded to the next highest mul-  
20 tiple of \$10.

21 “(d) REGULATIONS.—The Secretary shall prescribe  
22 regulations to carry out this section, including regulations  
23 providing for claiming the credit under this section on  
24 Form 1040EZ.”.

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. 25E. Elementary and secondary school teachers.”.

5       (c) EFFECTIVE DATE.—The amendments made by  
6 this section shall apply to taxable years beginning after  
7 December 31, 2006.

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