

113TH CONGRESS  
2D SESSION

# S. 2108

To amend the Internal Revenue Code of 1986 to encourage teachers to pursue teaching science, technology, engineering, and mathematics subjects at elementary and secondary schools.

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IN THE SENATE OF THE UNITED STATES

MARCH 11, 2014

Mrs. GILLIBRAND introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to encourage teachers to pursue teaching science, technology, engineering, and mathematics subjects at elementary and secondary 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 “National STEM Edu-  
5       cation Tax Incentive for Teachers Act of 2014”.

1 **SEC. 2. REFUNDABLE CREDIT FOR PORTION OF TUITION**  
 2 **PAID FOR UNDERGRADUATE EDUCATION OF**  
 3 **CERTAIN TEACHERS.**

4 (a) IN GENERAL.—Subpart C of part IV of sub-  
 5 chapter A of chapter 1 of the Internal Revenue Code of  
 6 1986 is amended by inserting after section 36C the fol-  
 7 lowing new section:

8 **“SEC. 36D. TUITION FOR UNDERGRADUATE EDUCATION OF**  
 9 **CERTAIN TEACHERS.**

10 “(a) IN GENERAL.—In the case of an individual who  
 11 is an eligible teacher for the taxable year, there shall be  
 12 allowed as a credit against the tax imposed by this subtitle  
 13 an amount equal to 10 percent of qualified undergraduate  
 14 tuition paid by such individual.

15 “(b) LIMITATIONS.—

16 “(1) DOLLAR AMOUNT.—The credit allowed by  
 17 this section for any taxable year shall not exceed  
 18 \$1,000.

19 “(2) TEACHERS IN HIGH-NEEDS SCHOOLS DIS-  
 20 TRICTS.—In the case of one of the first 5 taxable  
 21 years in which a teacher is an eligible teacher who  
 22 teaches in an elementary school or a secondary  
 23 school (as those terms are defined in section 9101  
 24 of the Elementary and Secondary Education Act of  
 25 1965 (20 U.S.C. 7801)) receiving funds under part  
 26 A of title I of such Act (20 U.S.C. 6311 et seq.),

1       subparagraph (A) shall be applied by substituting  
2       ‘\$1,500’ for ‘\$1,000’.

3               “(3) CREDIT ALLOWED ONLY FOR 10 YEARS.—  
4       No credit shall be allowed under this section for any  
5       taxable year after the 10th taxable year for which  
6       credit is allowed under this section.

7               “(c) ELIGIBLE TEACHER.—For purposes of this sec-  
8       tion—

9               “(1) IN GENERAL.—The term ‘eligible teacher’  
10       means, with respect to a taxable year, any indi-  
11       vidual—

12               “(A) who is a full-time teacher, including  
13       a full-time substitute teacher, in any of grades  
14       kindergarten through 12th grade for the aca-  
15       demic year ending in such taxable year,

16               “(B)(i) who teaches primarily mathe-  
17       matics, science, engineering, or technology  
18       courses in one or more of grades 9 through 12  
19       during such academic year, or

20               “(ii) who teaches mathematics, science, en-  
21       gineering, or technology courses in one or more  
22       of grades kindergarten through 8 during such  
23       academic year,

24               “(C) who, in the case that such individual  
25       is a middle or secondary school teacher, re-

1           ceived a baccalaureate or similar degree with a  
 2           major in mathematics, science, engineering, or  
 3           technology from an institution of higher edu-  
 4           cation, and

5           “(D) who is highly qualified (as defined in  
 6           section 9101(23) of the Elementary and Sec-  
 7           ondary Education Act of 1965).

8           “(2) SPECIAL RULE FOR ADMINISTRATIVE PER-  
 9           SONNEL.—School administrative functions shall be  
 10          treated as teaching courses referred to in paragraph  
 11          (1)(B) if such functions primarily relate to such  
 12          courses or are for a school which focuses primarily  
 13          on such courses.

14          “(d) QUALIFIED UNDERGRADUATE TUITION.—For  
 15          purposes of this section, the term ‘qualified undergraduate  
 16          tuition’ means qualified higher education expenses (as de-  
 17          fined in section 529(e)(3)) for enrollment or attendance  
 18          at an institution of higher education, reduced as provided  
 19          in section 25A(g)(2) and by any credit allowed by section  
 20          25A with respect to such expenses.

21          “(e) INSTITUTION OF HIGHER EDUCATION.—The  
 22          term ‘institution of higher education’ means an institution  
 23          of higher education as defined in section 102 of the Higher  
 24          Education Act of 1965 (20 U.S.C. 1002).

1       “(f) REGULATIONS.—The Secretary shall prescribe  
 2 such regulations as may be appropriate to carry out the  
 3 purposes of this section.”.

4       (b) CONFORMING AMENDMENTS.—

5           (1) Paragraph (2) of section 1324(b) of title  
 6 31, United States Code, is amended by inserting  
 7 “36D,” after “36C,”.

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

“Sec. 36D. Tuition for undergraduate education of certain teachers.”.

12       (c) EFFECTIVE DATE.—The amendments made by  
 13 this section shall apply to taxable years beginning after  
 14 the date of the enactment of this Act; except that only  
 15 periods during which an individual is an eligible teacher  
 16 (as defined in section 36D(c) of the Internal Revenue  
 17 Code of 1986, as added by this section) after such date  
 18 shall be taken into account under section 36D(b)(3) of  
 19 such Code, as so added.

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