

119TH CONGRESS
1ST SESSION

H. R. 4949

To amend the Internal Revenue Code of 1986 to establish a credit for certain employers of qualifying career and technical education students.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 12, 2025

Mr. HARDER of California (for himself and Mrs. KIGGANS of Virginia) 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 establish a credit for certain employers of qualifying career and technical education students.

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 “Apprenticeships for
5 Small Businesses Act of 2025”.

6 **SEC. 2. CAREER AND TECHNICAL EDUCATION CREDIT.**

7 (a) IN GENERAL.—Subpart D of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by adding at the end the following new
2 section:

3 **“SEC. 45U. CAREER AND TECHNICAL EDUCATION CREDIT.**

4 “(a) IN GENERAL.—For the purposes of section 38,
5 in the case of a small business concern (as such term is
6 defined under section 3 of the Small Business Act), the
7 career and technical education credit determined under
8 this section for any taxable year is an amount equal to
9 the sum of—

10 “(1) the amount equal to 50 percent of the
11 qualified wages paid by the taxpayer during the tax-
12 able year, plus

13 “(2) the amount equal to the qualified work-
14 men’s compensation expenses of the taxpayer for the
15 taxable year.

16 “(b) LIMITATION.—

17 “(1) IN GENERAL.—The amount of credit de-
18 termined under subsection (a) shall not exceed
19 \$10,000 for any taxpayer in any taxable year.

20 “(2) RELATED PARTY.—For purposes of para-
21 graph (1), taxpayers which are treated as a single
22 employer under subsection (a) or (b) of section 52
23 or subsection (m) or (o) of section 414 shall be
24 treated as a single taxpayer.

1 “(c) QUALIFIED EMPLOYEE.—For purposes of this
2 section, the term ‘qualified employee’ means, with respect
3 to an employer, an employee who—

4 “(1) has not attained the age of 21 as of the
5 last day of the taxable year, or

6 “(2) is—

7 “(A) participating in a registered appren-
8 ticeship program, as defined in section
9 3131(e)(3)(B), or

10 “(B) enrolled, during such taxable year,
11 in—

12 “(i) any course of study relating to
13 the trade or business of such employer at
14 a community college which complies with
15 any applicable State or local licensing re-
16 quirements necessary to issue associate’s
17 degrees, or

18 “(ii) any career training or vocational
19 program (including career and technical
20 education programs of a high school) relat-
21 ing to the trade or business of the em-
22 ployer.

23 “(d) QUALIFIED WORKMEN’S COMPENSATION EX-
24 PENSES.—For purposes of this section, the term ‘qualified
25 workmen’s compensation expenses’ means amounts paid

1 or incurred by the taxpayer during the taxable year for
 2 premiums relating to an insurance policy (or the appro-
 3 priate portion of such policy) which insures the taxpayer
 4 against claims under a workmen’s compensation law of the
 5 United States, any State, the District of Columbia, or the
 6 Commonwealth of Puerto Rico in relation to the employ-
 7 ment of a qualified employee.”.

8 (b) CREDIT TO BE PART OF GENERAL BUSINESS
 9 CREDIT.—Section 38(b) of such Code is amended by strik-
 10 ing “plus” at the end of paragraph (32), by striking the
 11 period at the end of paragraph (33) and inserting “, plus”,
 12 and by adding at the end the following new paragraph:

13 “(34) in the case of small business concern (as
 14 such term is defined under section 3 of the Small
 15 Business Act), the career and technical education
 16 credit determined under section 45U(a).”.

17 (c) CLERICAL AMENDMENT.—The table of sections
 18 for subpart D of part IV of subchapter A of chapter 1
 19 of such Code is amended by inserting after the item relat-
 20 ing to section 45T the following new item:

“Sec. 45U. Career and technical education credit.”.

21 (d) EFFECTIVE DATE.—The amendments made by
 22 this section shall apply amounts paid or incurred in tax-
 23 able years beginning after December 31, 2025.

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