

112TH CONGRESS  
1ST SESSION

# H. R. 2549

To amend the Internal Revenue Code of 1986 to allow a business credit for donations for vocational educational purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

JULY 14, 2011

Mr. YOUNG of Alaska (for himself, Mr. COURTNEY, and Mr. MANZULLO) 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 allow a business credit for donations for vocational educational 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 “Public Private Voca-  
5 tional Partnership Act of 2011”.

1 **SEC. 2. DONATIONS TO SECONDARY SCHOOLS AND COMMU-**  
 2 **NITY COLLEGES FOR VOCATIONAL EDU-**  
 3 **CATION PURPOSES.**

4       (a) IN GENERAL.—Subpart D of part IV of sub-  
 5 chapter A of chapter 1 of the Internal Revenue Code of  
 6 1986 (relating to business-related credits) is amended by  
 7 adding at the end the following new section:

8 **“SEC. 45S. DONATIONS TO SECONDARY SCHOOLS AND COM-**  
 9 **MUNITY COLLEGES FOR VOCATIONAL EDU-**  
 10 **CATION PURPOSES.**

11       “(a) IN GENERAL.—For purposes of section 38, in  
 12 the case of a corporation (as defined in section  
 13 170(e)(4)(D)), the vocational education donation credit  
 14 determined under this section for the taxable year is an  
 15 amount equal to the sum of—

16               “(1) 90 percent of the fair market value of  
 17 qualified property donations made during the tax-  
 18 able year, plus

19               “(2) the aggregate of the intern credit amounts.

20       “(b) LIMITATIONS.—

21               “(1) QUALIFIED PROPERTY DONATIONS.—The  
 22 amount allowed as a credit under subsection (a)(1)  
 23 shall not exceed \$50,000.

24               “(2) INTERN CREDIT AMOUNT.—

25                       “(A) IN GENERAL.—The amount allowed  
 26 as a credit under subsection (a)(2) with respect

1 to a qualified intern shall be the amount equal  
2 to \$100 multiplied by the number of months  
3 during the taxable year in which the intern was  
4 an employee of the taxpayer.

5 “(B) AGGREGATE PER INTERN CREDIT  
6 AMOUNTS.—The aggregate amount allowed to  
7 the taxpayer as a credit under subsection (a)(2)  
8 for the taxable year shall not exceed \$6,000.

9 “(c) QUALIFIED PROPERTY DONATIONS.—For pur-  
10 poses of this section, the term ‘qualified property dona-  
11 tions’ means a charitable contribution (as defined in sec-  
12 tion 170(c)) of tangible personal property if—

13 “(1) the contribution is to an educational orga-  
14 nization described in section 170(b)(1)(A)(ii) which  
15 is a secondary school, community college, or tech-  
16 nical school,

17 “(2) substantially all of the use of the property  
18 by the donee is for use within the United States for  
19 educational purposes that are related to the purpose  
20 or function of the donee,

21 “(3) the property is not transferred by the  
22 donee in exchange for money, other property, or  
23 services, except for shipping, installation and trans-  
24 fer costs,

1           “(4) the property will fit productively into the  
2 donee’s education plan,

3           “(5) the donee’s use and disposition of the  
4 property will be in accordance with the provisions of  
5 paragraphs (2), (3), and (4), and

6           “(6) the property meets such standards, if any,  
7 as the Secretary may prescribe by regulation to as-  
8 sure that the property meets minimum functionality  
9 and suitability standards for educational purposes.

10          “(d) QUALIFIED INTERN.—For purposes of this sec-  
11 tion—

12           “(1) IN GENERAL.—The term ‘qualified intern’  
13 means an individual—

14           “(A) who is enrolled full-time as a student  
15 in a secondary school or community college, and

16           “(B) who is employed for not more than  
17 20 hours per week by the taxpayer as part of  
18 a vocational education course approved by such  
19 school or college.

20           “(2) SECONDARY SCHOOL.—The term ‘sec-  
21 ondary school’ means a secondary school (as defined  
22 by section 9101(38) of the Elementary and Sec-  
23 ondary Education Act of 1965 (20 U.S.C. 7801(38))  
24 which offers a program of education in vocational  
25 education.

1           “(3) COMMUNITY COLLEGE.—The term ‘com-  
2           munity college’ means a public or nonprofit private  
3           postsecondary regionally accredited institution that  
4           provides not less than a 2-year program of instruc-  
5           tion that is acceptable for full credit toward a bach-  
6           elor’s degree at an accredited institution and whose  
7           highest degree offered is predominantly the associate  
8           degree.

9           “(e) AGGREGATION RULE.—For purposes of sub-  
10          section (b), all persons treated as a single employer under  
11          subsection (a) or (b) of section 52 or subsection (n) or  
12          (o) of section 414 shall be treated as one person.

13          “(f) COORDINATION WITH SECTION 170(b).—The  
14          limitation which would (but for this subsection) apply  
15          under section 170(b) for any taxable year shall be reduced  
16          (but not below zero) by the fair market value of property  
17          taken into account in determining the credit allowed under  
18          subsection (a)(1) for such year.”.

19          (b) CREDIT TO BE PART OF GENERAL BUSINESS  
20          CREDIT.—Subsection (b) of section 38 of such Code (re-  
21          lating to general business credit) is amended by striking  
22          “plus” at the end of paragraph (35), by striking the period  
23          at the end of paragraph (36) and inserting “, plus”, and  
24          by adding at the end the following new paragraph:

1           “(37) in the case of a corporation (as defined  
2           in section 170(e)(4)(D)), the vocational education  
3           donation credit determined under section 45S(a).”.

4           (c) DENIAL OF DOUBLE BENEFIT.—Section 280C of  
5           such Code (relating to certain expenses for which credits  
6           are allowable) is amended by adding at the end the fol-  
7           lowing new subsection:

8           “(i) VOCATIONAL EDUCATION DONATIONS.—The de-  
9           duction otherwise allowed for amounts taken into account  
10          under section 45S shall be reduced by the amount of the  
11          credit determined under section 45S(a) with respect to  
12          such amounts.”.

13          (d) CONFORMING AMENDMENT.—The table of sec-  
14          tions for subpart D of part IV of subchapter A of chapter  
15          1 of such Code is amended by adding at the end the fol-  
16          lowing new item:

          “45S. Donations to secondary schools and community colleges for vocational  
          education purposes.”.

17          (e) EFFECTIVE DATE.—The amendments made by  
18          this section shall apply to taxable years beginning after  
19          December 31, 2011.

○