

112TH CONGRESS  
1ST SESSION

# S. 1055

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

MAY 24, 2011

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 2011”.

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 of being an eligible teacher (as defined in section  
16 36D(c) of the Internal Revenue Code of 1986, as added  
17 by this section) after such date shall be taken into account  
18 under section 36D(b)(3) of such Code, as so added.

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