

104TH CONGRESS
2^D SESSION

H. R. 4222

To amend the Internal Revenue Code of 1986 to allow individuals a credit against income tax for tuition and related expenses for nonpublic elementary and secondary education.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 26, 1996

Mr. STOCKMAN 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 individuals a credit against income tax for tuition and related expenses for nonpublic elementary and secondary education.

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 “Educational Freedom
5 Act of 1996”.

1 **SEC. 2. CREDIT FOR TUITION AND RELATED EXPENSES**
2 **FOR NONPUBLIC ELEMENTARY AND SECOND-**
3 **ARY EDUCATION.**

4 (a) IN GENERAL.—Subpart A of part IV of sub-
5 chapter A of chapter 1 of the Internal Revenue Code of
6 1986 (relating to nonrefundable personal credits) is
7 amended by inserting after section 23 the following new
8 section:

9 **“SEC. 24. TUITION AND RELATED EXPENSES FOR NONPUB-**
10 **LIC ELEMENTARY AND SECONDARY EDU-**
11 **CATION.**

12 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
13 dividual, there shall be allowed as a credit against the tax
14 imposed by this chapter for the taxable year an amount
15 equal to the qualified educational expenses paid during
16 such taxable year for the elementary or secondary edu-
17 cation of any dependent (as defined in section 152) of the
18 taxpayer at a qualified educational institution.

19 “(b) LIMITATIONS.—

20 “(1) MAXIMUM CREDIT.—The credit allowed by
21 this section shall not exceed \$3,000 per student for
22 any taxable year.

23 “(2) LIMITATION BASED ON ADJUSTED GROSS
24 INCOME.—No credit shall be allowed under this sec-
25 tion for any taxable year for which the taxpayer’s
26 adjusted gross income exceeds \$90,000.

1 “(c) DEFINITIONS.—For purposes of this section—

2 “(1) QUALIFIED EDUCATIONAL EXPENSES.—

3 The term ‘qualified educational expenses’ means tui-
4 tion, fees, books, supplies, equipment, and other nec-
5 essary and proper expenses in connection with the
6 elementary or secondary education of the student at
7 a qualified educational institution.

8 “(2) QUALIFIED EDUCATIONAL INSTITUTION.—

9 The term ‘qualified educational institution’ means
10 any educational institution (including any private,
11 parochial, religious, or home school) organized for
12 the purpose of providing elementary or secondary
13 education, or both. Such term shall not include any
14 public school.”

15 (b) CLERICAL AMENDMENT.—The table of sections
16 for such subpart A is amended by inserting after the item
17 relating to section 23 the following new item:

“Sec. 24. Tuition and related expenses for nonpublic elementary
and secondary education.”

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to amounts paid after the date of
20 the enactment of this Act in taxable years ending after
21 such date.

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