

105TH CONGRESS  
2D SESSION

# H. R. 4451

To amend the Internal Revenue Code of 1986 to allow employers a 200 percent deduction for amounts paid or incurred for training employees.

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IN THE HOUSE OF REPRESENTATIVES

AUGUST 6, 1998

Mr. CAMPBELL introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow employers a 200 percent deduction for amounts paid or incurred for training employees.

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. ENHANCED DEDUCTION FOR EMPLOYEE**  
4 **TRAINING COSTS.**

5 (a) IN GENERAL.—Section 162 of the Internal Reve-  
6 nue Code of 1986 (relating to trade or business expenses)  
7 is amended by redesignating subsection (p) as subsection  
8 (q) and inserting after subsection (o) the following new  
9 subsection:

1       “(p) **EMPLOYEE TRAINING COSTS.**—In the case of an  
2 employer, the amount of the deduction allowed under this  
3 section for training an employee shall be 200 percent of  
4 the amount allowable under this section (determined with-  
5 out regard to this subsection) for such training.”.

6       (b) **EFFECTIVE DATE.**—The amendment made by  
7 subsection (a) shall apply with respect to amounts paid  
8 or incurred after December 31, 1998.

9 **SEC. 2. INCREASE IN CORPORATE INCOME TAX RATES.**

10       (a) **IN GENERAL.**—Paragraph (1) of section 11(b) of  
11 the Internal Revenue Code of 1986 (relating to amount  
12 of tax) is amended—

13               (1) by striking “15 percent” and inserting “16  
14 percent”,

15               (2) by striking “25 percent” and inserting “27  
16 percent”,

17               (3) by striking “34 percent” and inserting “37  
18 percent”,

19               (4) by striking “35 percent” and inserting “38  
20 percent”, and

21               (5) by striking “\$100,000” in the last sentence  
22 and inserting “\$113,000”.

1           (b) **EFFECTIVE DATE.**—The amendments made by  
2 subsection (a) shall apply to taxable years beginning after  
3 December 31, 1998.

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