

107TH CONGRESS
1ST SESSION

H. R. 257

To amend the Internal Revenue Code of 1986 to allow a credit against the income tax for educational expenses incurred in attending public or private (including religious) elementary and secondary schools and in homeschooling.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 30, 2001

Mr. CANTOR 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 credit against the income tax for educational expenses incurred in attending public or private (including religious) elementary and secondary schools and in homeschooling.

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 “Education Empower-
5 ment Tax Credit Act”.

1 **SEC. 2. REFUNDABLE CREDIT FOR ELEMENTARY AND SEC-**
2 **ONDARY SCHOOL EDUCATIONAL EXPENSES.**

3 (a) IN GENERAL.—Subpart C of part IV of sub-
4 chapter A of chapter 1 of the Internal Revenue Code of
5 1986 (relating to refundable credits) is amended by redес-
6 ignating section 35 as section 36 and by inserting after
7 section 34 the following new section:

8 **“SEC. 35. CREDIT FOR ELEMENTARY AND SECONDARY**
9 **SCHOOL EDUCATIONAL EXPENSES.**

10 “(a) ALLOWANCE OF CREDIT.—There shall be al-
11 lowed as a credit against the tax imposed by this chapter
12 for the taxable year so much of the qualified educational
13 expenses paid by the taxpayer during the taxable year with
14 respect to each qualifying child of the taxpayer.

15 “(b) LIMITATION.—The amount of the credit allow-
16 able under subsection (a) for a taxable year with respect
17 to a qualifying child shall not exceed \$1,000.

18 “(c) QUALIFIED EDUCATIONAL EXPENSES.—

19 “(1) IN GENERAL.—For purposes of this sec-
20 tion, the term ‘qualified educational expenses’ means
21 any expense incurred in connection with the enroll-
22 ment or attendance of a qualifying child in any of
23 the grades of kindergarten through grade 12 at an
24 elementary or secondary public or private (including
25 religious) school located in the United States, and in

1 connection with homeschooling at the level of any of
2 such grades, for—

3 “(A) tuition and fees,

4 “(B) books,

5 “(C) academic tutoring,

6 “(D) special needs services,

7 “(E) computers and computer equipment
8 (including software and services), and

9 “(F) educational supplies.

10 “(2) EXCEPTION FOR EDUCATION INVOLVING
11 SPORTS, ETC.—Such term does not include expenses
12 with respect to any course or other education involv-
13 ing sports, games, or hobbies.

14 “(3) EXCEPTION FOR NONACADEMIC FEES.—
15 Such term does not include student activity fees,
16 athletic fees, insurance expenses, or other expenses
17 unrelated to an individual’s academic course of in-
18 struction.

19 “(d) QUALIFYING CHILD.—For purposes of this sec-
20 tion, the term ‘qualifying child’ has the same meaning
21 given such term in section 24(c), except that ‘20’ shall
22 be substituted for ‘17’ in paragraph (1)(B) thereof.

23 “(e) SPECIAL RULES.—For purposes of this section,
24 rules similar to the rules of paragraphs (1), (3), (4), (5),
25 (6), and (7) of section 25A(g) shall apply.”.

1 (b) TECHNICAL AMENDMENTS.—

2 (1) Paragraph (2) of section 1324(b) of title
3 31, United States Code, is amended by inserting “or
4 from section 35 of such Code” before the period at
5 the end.

6 (2) The table of sections for such subpart C is
7 amended by striking the item relating to section 35
8 and inserting the following new items:

“Sec. 35. Credit for elementary and secondary school educational
expenses.

“Sec. 36. Overpayment of taxes.”

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to amounts paid for education
11 after December 31, 2002, for education furnished in aca-
12 demic periods beginning after such date.

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