

110TH CONGRESS  
2D SESSION

# H. R. 5991

To amend the Internal Revenue Code of 1986 to provide tax relief for  
obtaining transportation worker identification credentials.

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IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2008

Mr. PAUL 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 provide  
tax relief for obtaining transportation worker identifica-  
tion credentials.

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 “Tax Relief for Trans-  
5 portation Workers Act of 2008”.

6 **SEC. 2. REFUNDABLE CREDIT FOR OBTAINING TRANSPOR-**  
7 **TATION WORKER IDENTIFICATION CREDEN-**  
8 **TIALS.**

9 (a) IN GENERAL.—Subpart C of part IV of sub-  
10 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 (relating to refundable credits) is amended by redese-  
2 ignating section 36 as section 37 and by inserting after  
3 section 35 the following new section:

4 **“SEC. 36. TRANSPORTATION WORKER IDENTIFICATION**  
5 **CREDENTIALS.**

6 “(a) ALLOWANCE OF CREDIT.—In the case of an in-  
7 dividual, there shall be allowed as a credit against the tax  
8 imposed by this chapter for the taxable year an amount  
9 equal to the qualified expenses paid or incurred in obtain-  
10 ing a valid transportation worker identification credential.

11 “(b) LIMITATION.—

12 “(1) IN GENERAL.—The amount allowed as a  
13 credit under subsection (a) for a taxable year shall  
14 not exceed the sum of the taxpayer’s regular tax li-  
15 ability and Social Security taxes for the taxable  
16 year.

17 “(2) REGULAR TAX LIABILITY AND SOCIAL SE-  
18 CURITY TAXES DEFINED.—For purposes of para-  
19 graph (1), the term ‘regular tax liability’ has the  
20 meaning given such term by section 26(b) and the  
21 term ‘Social Security taxes’ has the meaning given  
22 such term by section 24(d)(2).

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

24 “(1) QUALIFIED EXPENSES.—The term ‘quali-  
25 fied expenses’ includes—

1           “(A) any fee imposed under section 70105  
2 of title 46, United States Code, and

3           “(B) 40 percent of reasonable legal ex-  
4 penses and any other expense reasonably in-  
5 curred in obtaining a valid transportation work-  
6 er identification credential.

7           “(2) TRANSPORTATION WORKER IDENTIFICA-  
8 TION CREDENTIAL.—The term ‘transportation work-  
9 er identification credential’ means the credential  
10 issued under section 70105 of title 46, United States  
11 Code.

12          “(d) DENIAL OF DOUBLE BENEFIT.—No credit shall  
13 be allowed under subsection (a) for any expense for which  
14 a deduction is allowed under any other provision of this  
15 chapter.”.

16          (b) CONFORMING AMENDMENTS.—

17           (1) Paragraph (2) of section 1324(b) of title  
18 31, United States Code, is amended by inserting be-  
19 fore the period “or from section 36 of such Code”.

20           (2) The table of sections for subpart C of part  
21 IV of subchapter A of chapter 1 of such Code is  
22 amended by striking the item relating to section 36  
23 and inserting the following new items:

“Sec. 36. Transportation worker identification credentials.

“Sec. 37. Overpayments of tax.”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to expenses paid or incurred be-  
3 fore, on, or after the date of the enactment of this Act.

4 **SEC. 3. DEDUCTION FOR OBTAINING TRANSPORTATION**  
5 **WORKER IDENTIFICATION CREDENTIALS ON**  
6 **BEHALF OF EMPLOYEES.**

7 (a) IN GENERAL.—Part VI of subchapter B of chap-  
8 ter 1 of the Internal Revenue Code of 1986 (relating to  
9 itemized deductions for individuals and corporations) is  
10 amended by adding at the end the following new section:

11 **“SEC. 200. TRANSPORTATION WORKER IDENTIFICATION**  
12 **CREDENTIALS OBTAINED ON BEHALF OF EM-**  
13 **PLOYEES.**

14 “(a) ALLOWANCE OF CREDIT.—In the case of an em-  
15 ployer, there shall be allowed as a deduction an amount  
16 equal to 40 percent of the aggregate qualified expenses  
17 paid or incurred in obtaining valid transportation worker  
18 identification credentials on behalf of its employees.

19 “(b) DEFINITIONS.—For purposes of this section—

20 “(1) QUALIFIED EXPENSES.—The term ‘quali-  
21 fied expenses’ includes—

22 “(A) any fee imposed under section 70105  
23 of title 46, United States Code, and

24 “(B) reasonable legal expenses and any  
25 other expenses reasonably incurred in obtaining

1           a valid transportation worker identification cre-  
2           dential.

3           “(2) TRANSPORTATION WORKER IDENTIFICA-  
4           TION CREDENTIAL.—The term ‘transportation work-  
5           er identification credential’ means the credential  
6           issued under section 70105 of title 46, United States  
7           Code.

8           “(3) EMPLOYEE.—The term ‘employee’ has the  
9           same meaning as when used within the meaning of  
10          section 401(c)(1).

11          “(c) ELECTION TO NOT TAKE DEDUCTION.—No de-  
12          duction shall be allowed under subsection (a) for any ex-  
13          pense if the taxpayer elects not to have this section apply  
14          to such expense.”.

15          (b) CLERICAL AMENDMENT.—The table of sections  
16          for part VI of subchapter B of chapter 1 of such Code  
17          is amended by inserting at the end the following new item:

          “Sec. 200. Transportation worker identification credentials obtained on behalf  
          of employees.”.

18          (c) EFFECTIVE DATE.—The amendments made by  
19          this section shall apply to amounts paid or incurred after  
20          the date of the enactment of this Act.

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