

113<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5325

To amend the Internal Revenue Code of 1986 to provide tax incentives to meet the needs of the American manufacturing workforce, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

JULY 31, 2014

Mr. CÁRDENAS (for himself, Mr. JOYCE, Mr. MCGOVERN, Mr. VEASEY, Mr. RYAN of Ohio, Mr. ENYART, and Mr. BUTTERFIELD) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

## A BILL

To amend the Internal Revenue Code of 1986 to provide tax incentives to meet the needs of the American manufacturing workforce, and for other purposes.

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 “American Manufac-  
5 turing Workforce Act of 2014”.

1 **SEC. 2. REFUNDABLE TAX CREDIT FOR UNEMPLOYED**  
2 **WORKERS OBTAINING MANUFACTURING JOB**  
3 **TRAINING.**

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 (relating to refundable credits) is amended by insert-  
7 ing after section 36B the following new section:

8 **“SEC. 36C. UNEMPLOYED WORKERS OBTAINING MANUFAC-**  
9 **TURING JOB TRAINING.**

10 “(a) IN GENERAL.—In the case of an eligible indi-  
11 vidual, there shall be allowed as a credit against the tax  
12 imposed by this subtitle for the taxable year with respect  
13 to each eligible individual an amount equal to the eligible  
14 individual’s qualified training costs paid or incurred by the  
15 taxpayer during the taxable year.

16 “(b) LIMITATION.—The credit allowed under sub-  
17 section (a) with respect to each eligible individual shall not  
18 exceed \$1,000.

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

20 “(1) QUALIFIED TRAINING COSTS.—The term  
21 ‘qualified training costs’ means expenses for tuition,  
22 fees, and course materials paid or incurred in quali-  
23 fied manufacturing training.

24 “(2) QUALIFIED MANUFACTURING TRAINING.—  
25 The term ‘qualified manufacturing job training’  
26 means training to develop or better skills for a man-

1       ufacturing position in the manufacturing industry,  
2       as determined by the Secretary of Labor.

3               “(3) ELIGIBLE INDIVIDUAL.—For purposes of  
4       this section, the term ‘eligible individual’ means an  
5       individual who—

6                       “(A) is the taxpayer or the taxpayer’s  
7       spouse or dependent,

8                       “(B) is certified by the State employment  
9       security agency established in accordance with  
10      the Act of June 6, 1933, as amended (29  
11      U.S.C. 49–49n), as having been in receipt of  
12      unemployment compensation under State or  
13      Federal law on any day within the 1-year period  
14      ending on the date qualified manufacturing job  
15      training begins, and

16                      “(C) has resided for the 6-month period  
17      preceding the date on which qualified manufac-  
18      turing job training begins in one of the 15  
19      States determined by the Secretary of Labor to  
20      be a State in which there are the greatest num-  
21      ber of job opportunities in the manufacturing  
22      industry.

23               “(d) DENIAL OF DOUBLE BENEFIT.—No credit shall  
24      be allowed under this section for any expense for which

1 a deduction or credit is allowed under any other provision  
2 of this chapter.

3 “(e) TERMINATION.—Subsection (a) shall not apply  
4 to amounts paid or incurred in taxable years beginning  
5 after December 31, 2020.”.

6 (b) CONFORMING AMENDMENTS.—

7 (1) Paragraph (2) of section 1324(b) of title  
8 31, United States Code, is amended by inserting  
9 “36C,” after “36B,”.

10 (2) The table of sections for subpart C of part  
11 IV of subchapter A of chapter 1 of the Internal Rev-  
12 enue Code of 1986 is amended by inserting after the  
13 item relating to section 36B the following new item:

“Sec. 36C. Unemployed workers obtaining manufacturing job training.”.

14 (c) NOTICE OF CREDIT.—The Commissioner of In-  
15 ternal Revenue shall provide notice on the website of the  
16 Internal Revenue Service of the availability of the credit  
17 established by subsection (a), and it is the sense of the  
18 Congress that other governmental job training and unem-  
19 ployment compensation entities shall also provide notice  
20 of such credit on their websites.

21 (d) EFFECTIVE DATE.—The amendments made by  
22 this section shall apply to taxable years beginning after  
23 December 31, 2014.

1 **SEC. 3. EMPLOYER CREDIT FOR EMPLOYER PROVIDED**  
2 **ADULT EDUCATION AND MANUFACTURING**  
3 **JOB TRAINING PROGRAMS.**

4 (a) IN GENERAL.—Subpart D of part IV of sub-  
5 chapter A of chapter 1 of the Internal Revenue Code of  
6 1986 is amended by adding at the end the following new  
7 section:

8 **“SEC. 45S. CREDIT FOR EMPLOYER-PROVIDED ADULT EDU-**  
9 **CATION AND MANUFACTURING JOB TRAIN-**  
10 **ING PROGRAMS.**

11 “(a) IN GENERAL.—For the purposes of section 38,  
12 the education and training credit determined under this  
13 section for the taxable year is an amount equal to 20 per-  
14 cent of the aggregate qualified education and training ex-  
15 penses paid or incurred for each employee during the tax-  
16 able year.

17 “(b) LIMITATION.—The credit allowed under sub-  
18 section (a) with respect to any employee for a taxable year  
19 shall not exceed \$1,000.

20 “(c) QUALIFIED EDUCATION AND TRAINING EX-  
21 PENSES.—For purposes of this section, the term ‘qualified  
22 education and training expenses’ means with respect to  
23 an employee amounts paid or incurred during the taxable  
24 year in providing education or training for manufacturing  
25 under the Workforce Investment Act of 1998 (29 U.S.C.  
26 2801 et seq.) or a curriculum approved by the Employ-

1 ment and Training Administration of the Department of  
2 Labor to individuals employed by the taxpayer in manu-  
3 facturing positions (as determined by the Secretary of  
4 Labor).

5 “(d) SPECIAL RULES.—

6 “(1) DENIAL OF DOUBLE BENEFIT.—No deduc-  
7 tion or credit shall be allowed under this chapter for  
8 the portion of the expenses that are taken into ac-  
9 count in determining the credit under this section  
10 for the taxable year.

11 “(2) AGGREGATION.—For purposes of this sec-  
12 tion, all persons treated as a single employer under  
13 subsection (a) or (b) or section 52, or subsection (m)  
14 or (o) of section 414, shall be treated as one person.

15 “(e) ELECTION TO HAVE CREDIT NOT APPLY.—A  
16 taxpayer may elect (at such time and in such manner as  
17 the Secretary may by regulations prescribe) to have this  
18 section not apply for any taxable year.

19 “(f) TERMINATION.—This section shall not apply to  
20 expenses paid after December 31, 2020.”.

21 (b) CREDIT TO BE PART OF GENERAL BUSINESS  
22 CREDIT.—Subsection (b) of section 38 of the Internal  
23 Revenue Code of 1986 is amended by striking “plus” at  
24 the end of paragraph (35), by striking the period at the

1 end of paragraph (36) and inserting “, plus”, and by add-  
2 ing at the end the following new paragraph:

3 “(37) the education and training credit deter-  
4 mined under section 45S(a).”.

5 (c) TECHNICAL AMENDMENT.—Section 6501(m) of  
6 the Internal Revenue Code of 1986 is amended by insert-  
7 ing “45S(e),” after “45H(g),”.

8 (d) CLERICAL AMENDMENT.—The table of sections  
9 for subpart D of part IV of subchapter A of chapter 1  
10 of the Internal Revenue Code of 1986 is amended by add-  
11 ing at the end the following new item:

“Sec. 45S. Credit for employer-provided adult education and manufacturing job  
training programs.”.

12 (e) EFFECTIVE DATES.—The amendments made by  
13 this section shall apply to expenses paid or incurred in  
14 taxable years beginning after December 31, 2014.

15 **SEC. 4. PRESIDENTIAL AWARD FOR BUSINESS LEADERSHIP**  
16 **IN PREPARING WORKERS FOR THE MANU-**  
17 **FACTURING ECONOMY.**

18 (a) ESTABLISHMENT.—There is established the Pres-  
19 idential Award for Business Leadership in Manufacturing  
20 Job Training (referred to in this section as the “Presi-  
21 dential Manufacturing Job Training Award”), which shall  
22 be awarded to companies and other organizations for ex-  
23 traordinary efforts in assisting their employees and mem-  
24 bers to develop or better the manufacturing skills and

1 training and increase the productivity of American manu-  
2 facturing.

3 (b) SELECTION AND PRESENTATION OF AWARD.—

4 (1) SELECTION.—The President shall periodi-  
5 cally award the Presidential Manufacturing Job  
6 Training Award to companies and other organiza-  
7 tions described in subsection (a) after reviewing rec-  
8 ommendations to the President with respect to such  
9 award by the Secretary of Labor in consultation  
10 with the Secretary of Commerce.

11 (2) PRESENTATION.—The presentation of the  
12 Presidential Manufacturing Job Training Award  
13 shall be made by the President, or a designee of the  
14 President, in conjunction with an appropriate cere-  
15 mony.

16 **SEC. 5. BEST PRACTICES FOR MANUFACTURING JOB**  
17 **TRAINING.**

18 The Secretary of Labor shall, from time to time, col-  
19 lect and disseminate best practices for manufacturing job  
20 training.

○