AMENDMENT TO RULES COMMITTEE PRINT 115–39

OFFERED BY MRS. LAWRENCE OF MICHIGAN

At the end of the bill, add the following:

TITLE VI—MANUFACTURING JOB TRAINING TAX CREDIT; CORPORATE RATE INCREASE TO ACHIEVE REVENUE NEUTRALITY

SEC. 6001. MANUFACTURING JOB TRAINING TAX CREDIT.

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

“SEC. 45S. MANUFACTURING JOB TRAINING CREDIT.

“(a) IN GENERAL.—For the purposes of section 38, the manufacturing job training credit determined under this section for the taxable year is an amount equal to 20 percent of so much of the manufacturing training expenses paid or incurred by a qualified manufacturing employer during the taxable year as exceeds 50 percent of the average manufacturing training expenses for the 3
taxable years preceding the taxable year for which the credit is determined.

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

“(1) MANUFACTURING TRAINING EXPENSES.—

“(A) IN GENERAL.—The term ‘manufacturing training expenses’ means, with respect to any eligible employee of the taxpayer, expenses paid or incurred by such taxpayer for any manufacturing training program, including any related course work, certification testing, and essential skill acquisition.

“(B) ELIGIBLE EMPLOYEE.—The term ‘eligible employee’ means any employee of the taxpayer whose essential job function is within the United States and relates to manufacturing at a manufacturing facility of the taxpayer located within the United States.

“(2) QUALIFYING MANUFACTURING EMPLOYER.—The term ‘qualified manufacturing employer’ means any employer—

“(A) which employs individuals in a trade or business in manufacturing,

“(B) the manufacturing facilities of which are located in the United States, and
“(C) the primary business of which is classified in sector 31, 32, or 33 of the North American Industrial Classification System.

“(c) Special Rules.—

“(1) Rule in case of no manufacturing training expenses in any of 3 preceding taxable years.—

“(A) Taxpayers to which paragraph applies.—The credit under this section shall be determined under this paragraph if the taxpayer has no manufacturing training expenses in any one of the 3 taxable years preceding the taxable year for which the credit is being determined.

“(B) Credit rate.—The credit determined under this paragraph shall be equal to 6 percent of the manufacturing training expenses for the taxable year.

“(2) Denial of double benefit.—No deduction shall be allowed under this chapter for the portion of the expenses otherwise allowable as a deduction that are taken into account in determining the credit under this section for the taxable year.

“(3) Aggregation.—For purposes of this section, all persons treated as a single employer under
subsection (a) or (b) or section 52, or subsection (m)
or (o) of section 414, shall be treated as one person.

“(d) Election to Have Credit Not Apply.—A
taxpayer may elect to have this section not apply for any
taxable year.”.

(b) Credit to Be Part of General Business
Credit.—Subsection (b) of section 38 of the Internal
Revenue Code of 1986 is amended by striking “plus” at
the end of paragraph (35), by striking the period at the
end of paragraph (36) and inserting “, plus”, and by add-
ing at the end the following new paragraph:

“(37) the manufacturing job training credit de-
termined under section 45S(a).”.

(c) Clerical Amendment.—The table of sections
for subpart D of part IV of subchapter A of chapter 1
of the Internal Revenue Code of 1986 is amended by add-
ing at the end the following new item:

“Sec. 45S. Manufacturing job training credit.”.

(d) Effective Date.—The amendments made by
this section shall apply to expenses paid or incurred after
the date of the enactment of this Act, in taxable years
ending after such date.

SEC. 6002. CORPORATE RATE INCREASE TO ACHIEVE REV-
ENUE NEUTRALITY.

(a) In General.—The rate of tax specified in sec-
tion 11(b)(1) of the Internal Revenue Code of 1986 (after
the amendment made by section 3001(a)) shall be increased by such number of percentage points as is necessary to fully offset the aggregate reduction in Federal revenues which result from amendments and repeals made by section 6001.

(b) EFFECTIVE DATE.—Subsection (a) shall apply as if such provision were an amendment made by section 3001(a).