AMENDMENT TO RULES COMMITTEE PRINT 115–39

OFFERED BY MS. WILSON OF FLORIDA

Add at the end the following:

TITLE VI—LEVERAGING AND ENERGIZING AMERICA’S APPRENTICESHIP PROGRAMS ACT

SEC. 6001. CREDIT FOR EMPLOYEES PARTICIPATING IN QUALIFIED APPRENTICESHIP PROGRAMS.

(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. EMPLOYEES PARTICIPATING IN QUALIFIED APPRENTICESHIP PROGRAMS.

“(a) In General.—For purposes of section 38, the apprenticeship credit determined under this section for the taxable year is an amount equal to the sum of the applicable credit amounts (as determined under subsection (b)) for each of the apprenticeship employees of the employer that exceeds the applicable apprenticeship level (as determined under subsection (e)) during such taxable year.
“(b) Applicable Credit Amount.—For purposes of subsection (a), the applicable credit amount for each apprenticeship employee for each taxable year is equal to—

“(1) in the case of an apprenticeship employee who has not attained 25 years of age at the close of the taxable year, $1,500, or

“(2) in the case of an apprenticeship employee who has attained 25 years of age at the close of the taxable year, $1,000.

“(c) Limitation on Number of Years Which Credit May Be Taken Into Account.—The apprenticeship credit shall not be allowed for more than 2 taxable years with respect to any apprenticeship employee.

“(d) Apprenticeship Employee.—For purposes of this section—

“(1) In general.—The term ‘apprenticeship employee’ means any employee who is—

“(A) a party to an apprenticeship agreement registered with—

“(i) the Office of Apprenticeship of the Employment and Training Administration of the Department of Labor, or

“(ii) a recognized State apprenticeship agency, and
“(B) employed by the employer in the occupation identified in the apprenticeship agreement described in paragraph (1), whether or not the employer is a party to such agreement.

“(2) Minimum completion rate for eligible apprenticeship programs.—An employee shall not be treated as an apprenticeship employee unless such apprenticeship agreement is with an apprenticeship program that, for the two-year period ending on the date of the apprenticeship begins, has a completion rate of at least 50 percent.

“(e) Applicable apprenticeship level.—

“(1) In general.—For purposes of this section, the applicable apprenticeship level shall be equal to—

“(A) in the case of any apprenticeship employees described in subsection (b)(1), the amount equal to 80 percent of the average number of such apprenticeship employees of the employer for the 3 taxable years preceding the taxable year for which the credit is being determined, rounded to the next lower whole number, and

“(B) in the case of any apprenticeship employees described in subsection (b)(2), the
amount equal to 80 percent of the average number of such apprenticeship employees of the employer for the 3 taxable years preceding the taxable year for which the credit is being determined, rounded to the next lower whole number.

“(2) First year of new apprenticeship programs.—In the case of an employer which did not have any apprenticeship employees during any taxable year in the 3 taxable years preceding the taxable year for which the credit is being determined, the applicable apprenticeship level shall be equal to zero.

“(f) Coordination with other credits.—The amount of credit otherwise allowable under sections 45A, 51(a), and 1396(a) with respect to any employee shall be reduced by the credit allowed by this section with respect to such employee.

“(g) Certain rules to apply.—Rules similar to the rules of subsections (i)(1) and (k) of section 51 shall apply for purposes of this section.”

(b) Credit made part of general business credit.—Subsection (b) of section 38 of such Code 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 adding at the end the following new paragraph:

“(37) the apprenticeship credit determined under section 45S(a).”.

(c) Denial of Double Benefit.—Subsection (a) of section 280C of such Code is amended by inserting “45S(a),” after “45P(a),”.

(d) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

“Sec. 45S. Employees participating in qualified apprenticeship programs.”.

(e) Effective Date.—The amendments made by this section shall apply to individuals commencing apprenticeship programs after the date of the enactment of this Act.

SEC. 6002. CORPORATE RATE INCREASE TO ACHIEVE REVENUE NEUTRALITY.

(a) In General.—The rate of tax specified in section 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 the amendments made by section 6001.
(b) EFFECTIVE DATE.—Subsection (a) shall apply as if such provision were an amendment made by section 3001(a).