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(Original Signature of Member)

107TH CONGRESS
1ST SESSION

H. R. _____

IN THE HOUSE OF REPRESENTATIVES

Mr. HOEKSTRA introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to allow a credit against income tax for contributions for scholarships to attend elementary and secondary schools, for upgrading elementary and secondary school facilities, and for expenses related to technology for elementary and secondary schools.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*



1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Voluntary Opportuni-
3 ties for Increasing Contributions to Education Act”.

4 **SEC. 2. CREDIT FOR CONTRIBUTIONS FOR THE BENEFIT OF**
5 **ELEMENTARY AND SECONDARY SCHOOLS.**

6 (a) IN GENERAL.—Subpart B of part IV of sub-
7 chapter A of chapter 1 of the Internal Revenue Code of
8 1986 is amended by adding at the end the following new
9 section:

10 **“SEC. 30B. CREDIT FOR CONTRIBUTIONS FOR THE BENEFIT**
11 **OF ELEMENTARY AND SECONDARY SCHOOLS.**

12 “(a) ALLOWANCE OF CREDIT.—There shall be al-
13 lowed as a credit against the tax imposed by this chapter
14 for the taxable year an amount equal to 75 percent of the
15 qualified charitable contributions of the taxpayer for the
16 taxable year.

17 “(b) MAXIMUM CREDIT.—

18 “(1) INDIVIDUALS.—In the case of a taxpayer
19 other than a corporation, the credit allowed by sub-
20 section (a) for any taxable year shall not exceed
21 \$500 (\$1,000 in the case of a joint return).

22 “(2) CORPORATIONS.—In the case of a corpora-
23 tion, the credit allowed by subsection (a) shall not
24 exceed \$100,000.

25 “(c) QUALIFIED CHARITABLE CONTRIBUTION.—For
26 purposes of this section—



1 “(1) IN GENERAL.—The term ‘qualified chari-
2 table contribution’ means, with respect to any tax-
3 able year, the aggregate amount allowable as a de-
4 duction under section 170 (determined without re-
5 gard to subsection (d)(1)) for cash contributions—

6 “(A) to a school tuition organization,

7 “(B) for the improvement, renovation, or
8 construction of a school facility that is used pri-
9 marily to provide education at the elementary
10 or secondary level, and

11 “(C) for the acquisition of computer tech-
12 nology or equipment (as defined in subpara-
13 graph (E)(i) of section 170(e)(6)), or for train-
14 ing related to the use of such technology or
15 equipment, for use in a school facility described
16 in subparagraph (B).

17 “(2) SCHOOL TUITION ORGANIZATION.—

18 “(A) IN GENERAL.—The term ‘school tui-
19 tion organization’ means any organization
20 which—

21 “(i) is described in section 170(c)(2),

22 “(ii) allocates at least 90 percent of
23 its gross income and contributions and
24 gifts to elementary and secondary school
25 scholarships, and



1 “(iii) awards scholarships to any stu-
2 dent who is eligible for free or reduced cost
3 lunch under the school program established
4 under the Richard B. Russell National
5 School Lunch Act.

6 “(B) ELEMENTARY AND SECONDARY
7 SCHOOL SCHOLARSHIP.—The term ‘elementary
8 and secondary school scholarship’ means any
9 scholarship excludable from gross income under
10 section 117 for expenses related to education at
11 or below the 12th grade.

12 “(3) SCHOOL FACILITY.—The term ‘school fa-
13 cility’ shall not include any stadium or other facility
14 primarily used for athletic contests or exhibitions or
15 other events for which admission is charged to the
16 general public.

17 “(d) SPECIAL RULES.—

18 “(1) DENIAL OF DOUBLE BENEFIT.—No deduc-
19 tion shall be allowed under this chapter for any con-
20 tribution for which credit is allowed under this sec-
21 tion.

22 “(2) APPLICATION WITH OTHER CREDITS.—
23 The credit allowable under subsection (a) for any
24 taxable year shall not exceed the excess (if any) of—



1 “(A) the regular tax for the taxable year,
2 reduced by the sum of the credits allowable
3 under subpart A and the preceding sections of
4 this subpart, over

5 “(B) the tentative minimum tax for the
6 taxable year.

7 “(3) CONTROLLED GROUPS.—All persons who
8 are treated as one employer under subsection (a) or
9 (b) of section 52 shall be treated as 1 taxpayer for
10 purposes of this section.

11 “(e) ELECTION TO HAVE CREDIT NOT APPLY.—A
12 taxpayer may elect to have this section not apply for any
13 taxable year.”.

14 (b) CLERICAL AMENDMENT.—The table of sections
15 for subpart B of part IV of subchapter A of chapter 1
16 of such Code is amended by adding at the end the fol-
17 lowing new item:

 “Sec. 30B. Credit for contributions for the benefit of elementary
 and secondary schools.”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2001.

