

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 9461
OFFERED BY MR. SMITH OF MISSOURI**

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “USA Workforce Invest-
3 ment Act”.

4 **SEC. 2. TAX CREDIT FOR CONTRIBUTIONS OF INDIVIDUALS**
5 **TO WORKFORCE DEVELOPMENT OR APPREN-**
6 **TICESHIP TRAINING PROGRAMS.**

7 (a) ALLOWANCE OF CREDIT.—

8 (1) IN GENERAL.—Subpart A of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code
10 of 1986 is amended by inserting after section 25E
11 the following new section:

12 **“SEC. 25F. CONTRIBUTIONS TO WORKFORCE DEVELOP-**
13 **MENT AND APPRENTICESHIP TRAINING PRO-**
14 **GRAMS.**

15 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
16 dividual, there shall be allowed as a credit against the tax
17 imposed by this chapter for the taxable year an amount

1 equal to the aggregate amount of qualified contributions
2 made by the taxpayer during the year.

3 “(b) LIMITATIONS.—

4 “(1) IN GENERAL.—The credit allowed under
5 subsection (a) to any taxpayer for any taxable year
6 shall not exceed an amount equal to the lesser of—

7 “(A) 25 percent of the sum of the amounts
8 described in paragraphs (1) and (2) of section
9 26(a) for such taxable year, or

10 “(B) \$150,000.

11 “(2) ALLOCATION OF VOLUME CAP.—The credit
12 allowed under subsection (a) to any taxpayer for any
13 taxable year shall not exceed the amount of the vol-
14 ume cap allocated by the Secretary to such taxpayer
15 under subsection (f) with respect to qualified con-
16 tributions made by the taxpayer during the taxable
17 year.

18 “(3) REDUCTION BASED ON STATE CREDIT.—

19 The amount allowed as a credit under subsection (a)
20 for a taxable year shall be reduced by the amount
21 allowed as a credit on any State tax return of the
22 taxpayer for qualified contributions made by the tax-
23 payer during the taxable year.

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

1 “(1) QUALIFIED CONTRIBUTION.—The term
2 ‘qualified contribution’ means a charitable contribu-
3 tion (as defined by section 170(c)) to a workforce
4 development or apprenticeship training organization
5 in the form of cash or marketable securities if such
6 contribution is designated by such organization to be
7 used only for the purpose of providing workforce de-
8 velopment or apprenticeship training programs.

9 “(2) WORKFORCE DEVELOPMENT OR APPREN-
10 TICESHIP TRAINING ORGANIZATION.—The term
11 ‘workforce development or apprenticeship training
12 organization’ means any organization which—

13 “(A) is described in section 501(c)(3), is
14 exempt from tax under section 501(a), and is
15 not a private foundation, and

16 “(B) is included on a list of providers pre-
17 pared under subsection (d) of section 122 of the
18 Workforce Innovation and Opportunity Act (29
19 U.S.C. 3152) by reason of having been deter-
20 mined to be eligible to offer a program under
21 such section.

22 “(3) WORKFORCE DEVELOPMENT OR APPREN-
23 TICESHIP TRAINING PROGRAM.—The term ‘work-
24 force development or apprenticeship training pro-
25 gram’ means a program to provide training services

1 (within the meaning of section 134(e)(3) of the
2 Workforce Innovation and Opportunity Act (29
3 U.S.C. 3174(e)(3))).

4 “(d) DENIAL OF DOUBLE BENEFIT.—Any qualified
5 contribution for which a credit is allowed under this sec-
6 tion shall not be taken into account as a charitable con-
7 tribution for purposes of section 170.

8 “(e) CARRYFORWARD OF UNUSED CREDIT.—

9 “(1) IN GENERAL.—If the credit allowable
10 under subsection (a) for any taxable year exceeds
11 the limitation imposed by section 26(a) for such tax-
12 able year reduced by the sum of the credits allowable
13 under this subpart (other than this section, section
14 23, and section 25D), such excess shall be carried to
15 the succeeding taxable year and added to the credit
16 allowable under subsection (a) for such taxable year.

17 “(2) LIMITATION.—No credit may be carried
18 forward under this subsection to any taxable year
19 following the fifth taxable year after the taxable year
20 in which the credit arose. For purposes of the pre-
21 ceding sentence, credits shall be treated as used on
22 a first-in first-out basis.

23 “(f) VOLUME CAP.—

24 “(1) IN GENERAL.—The volume cap applicable
25 under this section shall be \$5,000,000,000 for each

1 of calendar years 2025 through 2028, and zero for
2 calendar years thereafter. Such amount shall be allo-
3 cated by the Secretary as provided in paragraph (2)
4 to taxpayers with respect to qualified contributions
5 made by such taxpayers, except that 10 percent of
6 such amount shall be divided evenly among the
7 States, and shall be available with respect to individ-
8 uals residing in such States.

9 “(2) FIRST-COME, FIRST-SERVE.—For purposes
10 of applying the volume cap under this section, such
11 volume cap for any calendar year shall be allocated
12 by the Secretary on a first-come, first-serve basis, as
13 determined based on the time (during such calendar
14 year) at which the taxpayer made the qualified con-
15 tribution with respect to which the allocation is
16 made. The Secretary shall not make any allocation
17 of volume cap for any calendar year after December
18 31 of such calendar year.

19 “(3) REAL-TIME INFORMATION.—For purposes
20 of this section, the Secretary shall develop a system
21 to track the amount of qualified contributions made
22 during the calendar year for which a credit may be
23 claimed under this section, with such information to
24 be updated in real time.

25 “(4) ANNUAL INCREASES.—

1 “(A) IN GENERAL.—In the case of the cal-
2 endar year after a high use calendar year, the
3 dollar amount otherwise in effect under sub-
4 section (a) for such calendar year shall be equal
5 to 105 percent of the dollar amount in effect
6 for such high use calendar year.

7 “(B) HIGH USE CALENDAR YEAR.—For
8 purposes of this subsection, the term ‘high use
9 calendar year’ means any calendar year for
10 which 90 percent or more of the volume cap in
11 effect for such calendar year under subsection
12 (a) is allocated to taxpayers.

13 “(C) PREVENTION OF DECREASES IN AN-
14 NUAL VOLUME CAP.—The volume cap in effect
15 under subsection (a) for any calendar year shall
16 not be less than the volume cap in effect under
17 such subsection for the preceding calendar year.

18 “(D) PUBLICATION OF ANNUAL VOLUME
19 CAP.—The Secretary shall make publicly avail-
20 able the dollar amount of the volume cap in ef-
21 fect under subsection (a) for each calendar
22 year.

23 “(5) STATES.—For purposes of this subsection,
24 the term ‘State’ includes the District of Columbia.”.

25 (2) CONFORMING AMENDMENTS.—

1 (A) Section 25(e)(1)(C) of such Code is
2 amended by striking “and 25D” and inserting
3 “25D, and 25F”.

4 (B) The table of sections for subpart A of
5 part IV of subchapter A of chapter 1 of such
6 Code is amended by inserting after the item re-
7 lating to section 25E the following new item:

“Sec. 25F. Contributions to workforce development and apprenticeship training
programs.”.

8 (b) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to taxable years ending after De-
10 cember 31, 2024.

