

119TH CONGRESS  
1ST SESSION

# H. R. 5493

To amend the Internal Revenue Code of 1986 to allow a credit against tax for charitable donations to nonprofit organizations providing workforce training.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 2025

Mr. SMUCKER (for himself, Mr. SMITH of Nebraska, Mr. KELLY of Pennsylvania, and Mr. MILLER of Ohio) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a credit against tax for charitable donations to nonprofit organizations providing workforce training.

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 “USA Workforce Invest-  
5 ment Act”.

6 **SEC. 2. TAX CREDIT FOR CONTRIBUTIONS OF INDIVIDUALS**

7 **TO WORKFORCE DEVELOPMENT OR APPREN-**  
8 **TICESHIP TRAINING PROGRAMS.**

9 (a) ALLOWANCE OF CREDIT.—

1           (1) IN GENERAL.—Subpart A of part IV of sub-  
2           chapter A of chapter 1 of the Internal Revenue Code  
3           of 1986 is amended by inserting after section 25F  
4           the following new section:

5   **“SEC. 25G. CONTRIBUTIONS TO WORKFORCE DEVELOP-**  
6                   **MENT AND APPRENTICESHIP TRAINING PRO-**  
7                   **GRAMS.**

8           “(a) ALLOWANCE OF CREDIT.—In the case of an in-  
9           dividual who is a citizen or resident of the United States  
10          (within the meaning of section 7701(a)(9)), there shall be  
11          allowed as a credit against the tax imposed by this chapter  
12          for the taxable year an amount equal to the aggregate  
13          amount of qualified contributions made by the taxpayer  
14          during the year.

15          “(b) LIMITATIONS.—

16                  “(1) IN GENERAL.—The credit allowed under  
17          subsection (a) to any taxpayer for any taxable year  
18          shall not exceed \$1,700.

19                  “(2) REDUCTION BASED ON STATE CREDIT.—

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

25          “(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 if such contribution is designated  
6           by such organization to be used only for the purpose  
7           of providing workforce development or apprentice-  
8           ship 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 and sec-  
14 tions 23, 25D, and 25E), such excess shall be car-  
15 ried to the succeeding taxable year and added to the  
16 credit allowable under subsection (a) for such tax-  
17 able year.

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

24 (2) CONFORMING AMENDMENTS.—

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

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. 25G. Contributions to workforce development and apprenticeship training  
          programs.”.

8           (b) **EFFECTIVE DATE.**—The amendments made by  
9           this section shall apply to taxable years beginning after  
10          the date of the enactment of this Act.

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