

110TH CONGRESS  
1ST SESSION

# S. 1282

To amend the Internal Revenue Code of 1986 to provide for the exclusion from gross income of certain wages of a certified master teacher, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MAY 3, 2007

Mr. CARDIN (for himself and Ms. SNOWE) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to provide for the exclusion from gross income of certain wages of a certified master teacher, and for other purposes.

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. MASTER TEACHER EXCLUSION.**

4 (a) MASTER TEACHER EXCLUSION.—Part III of sub-  
5 chapter B of chapter 1 of the Internal Revenue Code of  
6 1986 is amended by inserting after section 139A the fol-  
7 lowing new section:

1 **“SEC. 139B. CERTAIN WAGES OF CERTIFIED MASTER**  
2 **TEACHERS.**

3 “(a) 25 PERCENT EXCLUSION.—Gross income does  
4 not include 25 percent of wages earned by a certified mas-  
5 ter teacher in remuneration for employment at a qualified  
6 school in need of improvement or a Head Start program  
7 assisted under the Head Start Act (42 U.S.C. 9831 et  
8 seq.).

9 “(b) CERTIFIED MASTER TEACHER.—For purposes  
10 of this section—

11 “(1) IN GENERAL.—The term ‘certified master  
12 teacher’ means any eligible teacher who is certified  
13 by a State as being eligible for the exclusion from  
14 gross income provided under subsection (a) with re-  
15 spect to wages earned during a 4-year certification  
16 period. A teacher shall not be treated as a certified  
17 master teacher except during the certification period.

18 “(2) RECERTIFICATION PROHIBITED.—A teach-  
19 er shall not be certified as a certified master teacher  
20 for more than one certification period.

21 “(3) STATE LIMITATION ON NUMBER OF CER-  
22 TIFIED MASTER TEACHERS.—A State may not cer-  
23 tify any teacher if such certification would result (at  
24 the time of such certification) in more than 10 per-  
25 cent of the State’s public school teachers being cer-  
26 tified master teachers.

1       “(c) QUALIFIED SCHOOL IN NEED OF IMPROVE-  
2 MENT.—For purposes of this section, the term ‘qualified  
3 school in need of improvement’ means, with respect to any  
4 certified master teacher—

5           “(1) the school in need of improvement which  
6 first employs such teacher during the certification  
7 period,

8           “(2) any school in need of improvement which  
9 subsequently employs such teacher, but only if each  
10 school in need of improvement which previously em-  
11 ployed such teacher during the certification period  
12 has ceased to be a school in need of improvement,  
13 and

14           “(3) any school described in paragraph (1) or  
15 (2) which ceases to be a school in need of improve-  
16 ment, but only if such teacher was employed by such  
17 school (during such teacher’s certification period) at  
18 the time that such school ceased to be a school in  
19 need of improvement.

20       “(d) SCHOOL IN NEED OF IMPROVEMENT.—For pur-  
21 poses of this section, the term ‘school in need of improve-  
22 ment’ means a public elementary or secondary school  
23 that—

24           “(1) is identified for school improvement, cor-  
25 rective action, or restructuring under section 1116

1 of the Elementary and Secondary Education Act of  
2 1965 (20 U.S.C. 6316), and

3 “(2) is eligible for a schoolwide program under  
4 section 1114 of the Elementary and Secondary Edu-  
5 cation Act of 1965 (20 U.S.C. 6314).

6 “(e) ELIGIBLE TEACHER.—For purposes of this sec-  
7 tion, the term ‘eligible teacher’ means a teacher who—

8 “(1) has had at least 5 years of teaching experi-  
9 ence in a public elementary or secondary school,

10 “(2) is highly qualified, as defined in section  
11 9101 of the Elementary and Secondary Education  
12 Act of 1965 (20 U.S.C. 7801),

13 “(3) has a master’s degree, and

14 “(4) has earned—

15 “(A) advanced certification in the teacher’s  
16 State licensing system, or

17 “(B) in the case of a teacher in a State  
18 that does not offer advanced certification, cer-  
19 tification from the National Board for Profes-  
20 sional Teaching Standards.

21 “(f) CERTIFICATION PERIOD.—For purposes of this  
22 section, the term ‘certification period’ means, with respect  
23 to any certified master teacher, the 4-year period de-  
24 scribed in subsection (b).

1       “(g) STATE IDENTIFICATION REQUIRED ON RE-  
 2 TURN.—With respect to any certified master teacher, no  
 3 exclusion shall be allowed under subsection (a) for any  
 4 taxable year unless the certified master teacher includes  
 5 the State in which the teacher has been certified on the  
 6 certified master teacher’s return of tax for such taxable  
 7 year.

8       “(h) TERMINATION.—This section shall not apply to  
 9 any taxable year beginning after December 31, 2013.”.

10       (b) CLERICAL AMENDMENT.—The table of sections  
 11 for part III of subchapter B of chapter 1 of the Internal  
 12 Revenue Code of 1986 is amended by inserting after the  
 13 item relating to section 139A the following new item:

“Sec. 139B. Certain wages of certified master teachers.”.

14       (c) REPORT TO CONGRESS.—The Secretary of the  
 15 Treasury shall transmit to the Congress for each of cal-  
 16 endar years 2007 through 2013 an annual report stating,  
 17 with respect to each State, the number of individuals cer-  
 18 tified by such State as certified master teachers who were  
 19 allowed an exclusion from gross income under section  
 20 139B of the Internal Revenue Code of 1986 for a taxable  
 21 year ending in such calendar year.

22       (d) EFFECTIVE DATE.—The amendments made by  
 23 this section shall apply to taxable years beginning after  
 24 December 31, 2006.