

116TH CONGRESS  
2D SESSION

# S. 3916

To amend the Internal Revenue Code of 1986 to increase the exclusion for educational assistance programs.

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IN THE SENATE OF THE UNITED STATES

JUNE 8, 2020

Mrs. LOEFFLER 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 increase the exclusion for educational assistance programs.

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 “American Workforce  
5 Development Act”.

6 **SEC. 2. INCREASE IN EXCLUSION FOR EDUCATIONAL AS-**  
7 **SISTANCE PROGRAMS.**

8 (a) IN GENERAL.—Paragraph (2) of section 127(a)  
9 of the Internal Revenue Code of 1986 is amended by strik-

1 ing “\$5,250” each place it appears in the text and the  
 2 heading and inserting “\$11,500”.

3 (b) INFLATION ADJUSTMENT.—Section 127(c) of  
 4 such Code is amended by adding at the end the following  
 5 new paragraph:

6 “(8) INFLATION ADJUSTMENT.—

7 “(A) IN GENERAL.—In the case of any cal-  
 8 endar year after 2019, each dollar amount in  
 9 subsection (a)(2) shall be increased by an  
 10 amount equal to—

11 “(i) such dollar amount, multiplied by

12 “(ii) the cost-of-living adjustment de-  
 13 termined under section 1(f)(3) for the cal-  
 14 endar year in which such taxable year be-  
 15 gins by substituting ‘calendar year 2017’  
 16 for ‘calendar year 2016’ in subparagraph  
 17 (A)(ii) thereof.

18 “(B) ROUNDING.—If any increase deter-  
 19 mined under subparagraph (A) is not a multiple  
 20 of \$50, such increase shall be rounded to the  
 21 next lowest multiple of \$50.”.

22 (c) EFFECTIVE DATE.—The amendments made by  
 23 this section shall apply to taxable years beginning after  
 24 December 31, 2019.

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