

111TH CONGRESS
1ST SESSION

H. R. 4391

To amend the Internal Revenue Code of 1986 to exclude from an employee's gross income any employer-provided supplemental instructional services assistance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 16, 2009

Mr. PASCRELL introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to exclude from an employee's gross income any employer-provided supplemental instructional services assistance, 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. SHORT TITLE.**

4 This Act may be cited as the “Affordable Tutoring
5 of Our Children Act”.

1 **SEC. 2. EXCLUSION OF EMPLOYER-PROVIDED SUPPLE-**
2 **MENTAL INSTRUCTIONAL SERVICES ASSIST-**
3 **ANCE.**

4 (a) IN GENERAL.—Section 129 of the Internal Rev-
5 enue Code of 1986 (relating to dependent care assistance
6 programs) is amended—

7 (1) by inserting “and supplemental instruc-
8 tional services assistance” after “dependent care as-
9 sistance” each place it appears (except in sub-
10 sections (d)(4) and (e)(1) thereof), and

11 (2) by inserting “and supplemental instruc-
12 tional services” after “dependent care services” both
13 places it appears in subsection (a)(2).

14 (b) SUPPLEMENTAL INSTRUCTIONAL SERVICES AS-
15 SISTANCE.—Section 129(e) of the Internal Revenue Code
16 of 1986 (relating to definitions and services) is amended
17 by redesignating paragraphs (2) through (9) as para-
18 graphs (3) through (10), respectively, and by inserting
19 after paragraph (1) the following new paragraph:

20 “(2) SUPPLEMENTAL INSTRUCTIONAL SERVICES
21 ASSISTANCE.—

22 “(A) IN GENERAL.—The term ‘supple-
23 mental instructional services assistance’ means
24 the payment of, or provision of, supplemental
25 instructional services to an employee’s depend-
26 ent (as defined in subsection (a)(1) of section

1 152, determined without regard to subsection
2 (c)(1)(C) thereof) who—

3 “(i) has attained the age of 5 but not
4 the age of 19 as of the close of the cal-
5 endar year in which the taxable year of the
6 employee begins, and

7 “(ii) has not obtained a high school
8 diploma or been awarded a general edu-
9 cation degree.

10 “(B) SUPPLEMENTAL INSTRUCTIONAL
11 SERVICES.—The term ‘supplemental instruc-
12 tional services’ means instructional or other
13 academic enrichment services which are—

14 “(i) in addition to instruction provided
15 during the school day,

16 “(ii) specifically designed to increase
17 the academic achievement of such depend-
18 ent,

19 “(iii) in the core academic studies of
20 English, reading or language arts, mathe-
21 matics, science, foreign languages, civics
22 and government, economics, arts, social
23 studies, and geography, and

1 “(iv) provided by a State certified in-
2 structor or by a State recognized or pri-
3 vately accredited organization.”.

4 (c) NO EXCLUSION FOR SUPPLEMENTAL INSTRU-
5 TIONAL SERVICES ASSISTANCE PROVIDED TO HIGHLY
6 COMPENSATED EMPLOYEES.—Section 129(a)(2)(A) of
7 the Internal Revenue Code of 1986 (relating to limitation
8 of exclusion) is amended by inserting “, except that no
9 amount may be excluded under paragraph (1) for supple-
10 mental instructional services paid or incurred by an em-
11 ployee who is a highly compensated employee (within the
12 meaning of section 414(q))” after “individual”).

13 (d) CONFORMING AMENDMENTS.—

14 (1) Section 21(b)(2)(A) of the Internal Revenue
15 Code of 1986 is amended by adding at the end the
16 following new sentence: “Such term shall not include
17 any amount paid for supplemental instructional serv-
18 ices (as defined in section 129(e)(2)(B)).”.

19 (2) The second sentence of section 21(c) of
20 such Code is amended by inserting “of dependent
21 care assistance” after “aggregate amount”.

22 (3) Section 6051(a)(9) of such Code is amended
23 by inserting “and supplemental instructional services
24 assistance” after “dependent care assistance” both
25 places it appears.

1 (e) CLERICAL AMENDMENTS.—

2 (1) The heading for section 129 of the Internal
3 Revenue Code of 1986 is amended by inserting
4 “**AND SUPPLEMENTAL INSTRUCTIONAL SERV-**
5 **ICES ASSISTANCE**” after “**ASSISTANCE**”.

6 (2) The item relating to section 129 in the table
7 of sections for part III of subchapter B of chapter
8 1 of such Code is amended by inserting “and supple-
9 mental instructional services assistance” after “as-
10 sistance”.

11 (f) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 December 31, 2009.

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