

111TH CONGRESS  
2D SESSION

# S. 3067

To amend the Internal Revenue Code of 1986 to increase the exclusion  
for employer-provided dependent care assistance.

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IN THE SENATE OF THE UNITED STATES

MARCH 3, 2010

Mr. BURR (for himself and Mr. JOHANNES) 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 employer-provided dependent care as-  
sistance.

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 “Child and Dependent  
5       Care FSA Enhancement Act”.

6       **SEC. 2. INCREASE IN EXCLUSION FOR EMPLOYER-PRO-**  
7       **VIDED DEPENDENT CARE ASSISTANCE.**

8       (a) IN GENERAL.—Subparagraph (A) of section  
9       129(a)(2) of the Internal Revenue Code of 1986 (relating  
10       to dependent care assistance programs) is amended by

1 striking “\$5,000 (\$2,500” and inserting “\$7,500 (half  
2 such dollar amount”.

3 (b) INFLATION ADJUSTMENT.—Paragraph (2) of sec-  
4 tion 129(a) of such Code is amended by redesignating sub-  
5 paragraph (C) as subparagraph (D) and by inserting after  
6 subparagraph (B) the following new subparagraph:

7 “(C) INFLATION ADJUSTMENT.—In the  
8 case of any taxable year beginning in a calendar  
9 year after 2010, the \$7,500 amount in subpara-  
10 graph (A) shall be increased by an amount  
11 equal to—

12 “(i) such dollar amount, multiplied by

13 “(ii) the cost-of-living adjustment de-  
14 termined under section 1(f)(3) for the cal-  
15 endar year in which the taxable year be-  
16 gins, determined by substituting ‘calendar  
17 year 2009’ for ‘calendar year 1992’ in sub-  
18 paragraph (B) thereof.

19 Any increase determined under the preceding  
20 sentence shall be rounded to the nearest mul-  
21 tiple of \$100.”.

22 (c) EFFECTIVE DATE.—The amendment made by  
23 this section shall apply to taxable years beginning after  
24 December 31, 2009.

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