

113TH CONGRESS
2D SESSION

S. 2568

To amend the Internal Revenue Code of 1986 to increase the contribution limit for Coverdell education savings accounts from \$2,000 to \$5,000, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 8, 2014

Mrs. FISCHER introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to increase the contribution limit for Coverdell education savings accounts from \$2,000 to \$5,000, 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 “Allocating for Chil-
5 dren’s Education Act” or the “ACE Act”.

1 **SEC. 2. COVERDELL ACCOUNT CONTRIBUTION LIMITATION**
 2 **INCREASE.**

3 (a) IN GENERAL.—Clause (iii) of section
 4 530(b)(1)(A) of the Internal Revenue Code of 1986 is
 5 amended by striking “\$2,000” and inserting “\$5,000”.

6 (b) CONFORMING AMENDMENT.—Subparagraph (A)
 7 of section 4973(e)(1) of the Internal Revenue Code of
 8 1986 is amended by striking “\$2,000” and inserting
 9 “\$5,000”.

10 (c) EFFECTIVE DATE.—The amendments made by
 11 this section shall apply to taxable years beginning after
 12 the date of the enactment of this Act.

13 **SEC. 3. INCLUSION OF ATHLETIC EQUIPMENT IN QUALI-**
 14 **FIED ELEMENTARY AND SECONDARY EDU-**
 15 **CATION EXPENSES.**

16 (a) IN GENERAL.—Clause (i) of section 530(b)(3)(A)
 17 of the Internal Revenue Code of 1986 is amended by strik-
 18 ing “other equipment” and inserting “other equipment
 19 (including athletic equipment)”.

20 (b) EFFECTIVE DATE.—The amendment made by
 21 this section shall apply to taxable years beginning after
 22 the date of the enactment of this Act.

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