

114TH CONGRESS
1ST SESSION

S. 215

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

IN THE SENATE OF THE UNITED STATES

JANUARY 21, 2015

Mr. BURR (for himself and Mrs. GILLIBRAND) 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 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 2016, 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 2015’ 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, 2015.

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