

116TH CONGRESS
2D SESSION

S. 3916

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

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

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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