

114TH CONGRESS
1ST SESSION

H. R. 1720

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

IN THE HOUSE OF REPRESENTATIVES

MARCH 26, 2015

Ms. SINEMA (for herself, Mrs. ELLMERS of North Carolina, Mrs. BROOKS of Indiana, Mr. HANNA, Mr. GIBSON, Mr. MURPHY of Florida, Mrs. KIRKPATRICK, and Mrs. BUSTOS) 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 increase the exclusion for employer-provided dependent care assistance.

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.—Section 129(a)(2)(A) of the Inter-
9 nal Revenue Code of 1986 is amended by striking “\$5,000

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

3 (b) INFLATION ADJUSTMENT.—Section 129(a)(2) of
4 such Code is amended by redesignating subparagraph (C)
5 as subparagraph (D) and by inserting after subparagraph
6 (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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