

118TH CONGRESS  
1ST SESSION

# H. R. 5036

To amend the Internal Revenue Code of 1986 to increase the exclusion for employer-provided dependent care assistance including the limitation on dependent care flexible spending arrangements.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 27, 2023

Ms. PORTER (for herself, Mrs. HINSON, Ms. NORTON, Mrs. KIGGANS of Virginia, and Mr. COLE) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the exclusion for employer-provided dependent care assistance including the limitation on dependent care flexible spending arrangements.

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 “Family Savings for  
5 Kids and Seniors Act”.

1 **SEC. 2. INCREASE IN EXCLUSION FOR EMPLOYER-PRO-**  
2 **VIDED DEPENDENT CARE ASSISTANCE IN-**  
3 **CLUDING DEPENDENT CARE FLEXIBLE**  
4 **SPENDING ARRANGEMENTS.**

5 (a) INCREASE TO TAKE INTO ACCOUNT INFLATION  
6 SINCE 1986.—Section 129(a)(2)(D) of the Internal Rev-  
7 enue Code of 1986 is amended to read as follows:

8 “(D) INFLATION ADJUSTMENT.—In the  
9 case of any taxable year beginning in a calendar  
10 year after 2023, the \$5,000 amount in subpara-  
11 graph (A) shall be increased by an amount  
12 equal to—

13 “(i) such dollar amount, multiplied by  
14 “(ii) the cost-of-living adjustment de-  
15 termined under section 1(f)(3) for the cal-  
16 endar year in which the taxable year be-  
17 gins, determined by substituting ‘calendar  
18 year 1986’ for ‘calendar year 2016’ in sub-  
19 paragraph (A)(ii) thereof.

20 If any increase determined under this para-  
21 graph is not a multiple of \$100, such increase  
22 shall be rounded to the next lowest multiple of  
23 \$100.”.

24 (b) CONFORMING AMENDMENT.—Section  
25 129(a)(2)(A) of such Code is amended by striking  
26 “\$2,500” and inserting “half such dollar amount”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2023.

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