

115TH CONGRESS
1ST SESSION

H. R. 782

To amend the Internal Revenue Code of 1986 to increase the amount excluded from gross income for employer-provided dependent care assistance.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 1, 2017

Mr. MCHENRY (for himself and Ms. MENG) 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 amount excluded from gross income 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 “Family Care Savings
5 Act”.

6 **SEC. 2. INCREASE IN EXCLUSION FROM GROSS INCOME**
7 **FOR EMPLOYER-PROVIDED DEPENDENT**
8 **CARE ASSISTANCE.**

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

1 (\$2,500” and inserting “\$10,000 (50 percent of such
2 amount”.

3 (b) INFLATION ADJUSTMENT.—Section 129(a)(2) of
4 the Internal Revenue Code of 1986 is amended by adding
5 at the end the following:

6 “(D) INFLATION ADJUSTMENT.—In the
7 case of any taxable year beginning in a calendar
8 year after 2017, the \$10,000 amount contained
9 in subparagraph (A) 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 the taxable year be-
15 gins, determined by substituting ‘calendar
16 year 2015’ for ‘calendar year 1992’ in sub-
17 paragraph (B) thereof.

18 Any increase determined under the preceding
19 sentence shall be rounded to the nearest mul-
20 tiple of \$50.”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2016.

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