

114TH CONGRESS  
2D SESSION

# S. 2457

To amend the Internal Revenue Code of 1986 to extend the exclusion for employer-provided education assistance to employer payments of student loans.

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## IN THE SENATE OF THE UNITED STATES

JANUARY 20, 2016

Mr. WARNER (for himself, Mr. THUNE, and Mrs. CAPITO) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to extend the exclusion for employer-provided education assistance to employer payments of student loans.

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 “Employer Participation  
5 in Repayment Act of 2016”.

6 **SEC. 2. EXCLUSION FOR CERTAIN EMPLOYER PAYMENTS**  
7 **OF STUDENT LOANS.**

8 (a) IN GENERAL.—Paragraph (1) of section 127(c)  
9 of the Internal Revenue Code of 1986 is amended by strik-

1 ing “and” at the end of subparagraph (A), by redesign-  
2 nating subparagraph (B) as subparagraph (C), and by in-  
3 serting after subparagraph (A) the following new subpara-  
4 graph:

5           “(B) the payment by an employer, whether  
6           paid to the employee or to a lender, of principal  
7           or interest on any qualified education loan (as  
8           defined in section 221(d)(1)) incurred by the  
9           employee, and”.

10       (b) CONFORMING AMENDMENT; DENIAL OF DOUBLE  
11 BENEFIT.—Paragraph (1) of section 221(e) of the Inter-  
12 nal Revenue Code of 1986 is amended by inserting before  
13 the period the following: “, or for which an exclusion is  
14 allowable under section 127 to the taxpayer’s employer by  
15 reason of the payment by such employer of any indebted-  
16 ness on a qualified education loan of the taxpayer”.

17       (c) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to payments made after December  
19 31, 2016.

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