

117TH CONGRESS
1ST SESSION

S. 1802

To amend the Internal Revenue Code of 1986 to expand and modify employer educational assistance programs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 25, 2021

Ms. HASSAN (for herself, Mr. YOUNG, Ms. CORTEZ MASTO, and Mr. SCOTT of South Carolina) 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 expand and modify employer educational assistance programs, and for other purposes.

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 “Upskilling and Re-
5 training Assistance Act”.

6 **SEC. 2. TEMPORARY INCREASE IN EXCLUSION FOR EDU-**
7 **CATIONAL ASSISTANCE PROGRAMS.**

8 In the case of taxable years beginning after December
9 31, 2020, and before January 1, 2023, section 127(a)(2)

1 of the Internal Revenue Code of 1986 shall be applied by
 2 substituting “\$12,000” for “\$5,250” each place it ap-
 3 pears.

4 **SEC. 3. EXPENSES FOR EDUCATION-RELATED TOOLS AND**
 5 **TECHNOLOGY.**

6 (a) IN GENERAL.—Paragraph (1) of section 127(c)
 7 of the Internal Revenue Code of 1986 is amended by strik-
 8 ing “equipment” both places it appears in subparagraphs
 9 (A) and (C) thereof and inserting “education-related tools
 10 and technology and other equipment”.

11 (b) EDUCATION-RELATED TOOLS AND TECH-
 12 NOLOGY.—Subsection (c) of section 127 of the Internal
 13 Revenue Code of 1986 is amended by adding at the end
 14 the following new paragraph:

15 “(8) EDUCATION-RELATED TOOLS AND TECH-
 16 NOLOGY.—For purposes of paragraph (1), the term
 17 ‘education-related tools and technology’ includes
 18 any—

19 “(A) hand tools and construction equip-
 20 ment,

21 “(B) computer or peripheral equipment (as
 22 defined in section 168(i)(2)(B)),

23 “(C) computer software (as defined in sec-
 24 tion 197(e)(3)(B)),

1 “(D) Internet access and related services
 2 (including equipment or technology necessary
 3 for Internet access),

4 “(E) Internet, mobile, or virtual reality
 5 learning tools and technology,

6 “(F) licensure fees, materials, or other
 7 equipment, and

8 “(G) any other tools or technology as de-
 9 termined by the Secretary,

10 provided to an employee which is required for the
 11 education of the employee or in connection with a
 12 course of instruction for the employee, or is required
 13 in order for the employee to obtain professional ad-
 14 vancement, to obtain any certification, licensure, or
 15 employment under any State, regional or national
 16 guidelines or regulations applicable to a trade or
 17 other skilled profession, or to maintain such a cer-
 18 tification, licensure, or employment through a con-
 19 tinuing education program.”.

20 (c) EMPLOYEE RETENTION OF EDUCATION-RE-
 21 LATED TOOLS AND TECHNOLOGY.—Paragraph (1) of sec-
 22 tion 127(c) of the Internal Revenue Code of 1986 is
 23 amended by striking “completion of a course of instruc-
 24 tion,” and inserting “completion of a course of instruction

1 (other than education-related tools and technology not de-
2 scribed in paragraph (8)(D)),”.

3 (d) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to amounts paid or incurred on
5 or after the first day of the calendar quarter which in-
6 cludes the date of the enactment of this Act.

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