

110TH CONGRESS  
1ST SESSION

# H. R. 1488

To amend the Internal Revenue Code of 1986 to expand the exclusion for employer-provided educational assistance to include educational assistance provided to dependents of employees.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 13, 2007

Mr. KELLER of Florida (for himself, Mr. KIND, and Mr. WELLER of Illinois) 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 expand the exclusion for employer-provided educational assistance to include educational assistance provided to dependents of employees.

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 Friendly Em-  
5       ployers Act of 2007”.

1 **SEC. 2. EXCLUSION FOR EMPLOYER-PROVIDED EDU-**  
2 **CATIONAL ASSISTANCE PROVIDED TO DE-**  
3 **PENDENTS OF EMPLOYEES.**

4 (a) **IN GENERAL.**—Paragraph (1) of section 127(c)  
5 of the Internal Revenue Code of 1986 (defining edu-  
6 cational assistance) is amended—

7 (1) by inserting “or a dependent of the em-  
8 ployee” after “education of the employee” in sub-  
9 paragraph (A), and

10 (2) by inserting “or dependent” after “em-  
11 ployee” in subparagraph (B) and in the material fol-  
12 lowing subparagraph (B).

13 (b) **SEPARATE LIMITATION FOR DEPENDENTS.**—  
14 Subsection (a) of section 127 of such Code is amended  
15 by adding at the end the following new paragraph:

16 “(3) **MAXIMUM EXCLUSION FOR ASSISTANCE**  
17 **FURNISHED TO DEPENDENTS.**—If, but for this para-  
18 graph, this section would exclude from gross income  
19 more than \$2,500 of educational assistance fur-  
20 nished to the dependents of an employee (in the ag-  
21 gregate) during a calendar year, this section shall  
22 apply only to the first \$2,500 of such assistance so  
23 furnished.”.

24 (c) **CONFORMING AMENDMENT.**—Paragraph (2) of  
25 section 127(a) of such Code is amended—

1           (1) by striking “an individual” and inserting  
2           “the employee”, and

3           (2) in the heading thereof by striking “MAX-  
4           IMUM EXCLUSION” and inserting “MAXIMUM EXCLU-  
5           SION FOR ASSISTANCE FURNISHED TO EMPLOYEE”.

6           (d) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply to taxable years beginning after  
8 the date of the enactment of this Act.

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