

110TH CONGRESS
1ST SESSION

S. 157

To permanently increase the maximum annual contribution allowed to be made to Coverdell education savings accounts.

IN THE SENATE OF THE UNITED STATES

JANUARY 4, 2007

Ms. CANTWELL introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To permanently increase the maximum annual contribution allowed to be made to Coverdell education savings accounts.

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 Education Savings
5 for Students Act of 2007”.

6 **SEC. 2. INCREASE IN MAXIMUM ANNUAL CONTRIBUTION**
7 **FOR COVERDELL EDUCATION SAVINGS AC-**
8 **COUNTS.**

9 (a) IN GENERAL.—Section 530(b)(1)(A)(iii) of the
10 Internal Revenue Code of 1986 (defining Coverdell edu-

1 cation savings account) is amended by striking “\$2,000”
2 and inserting “\$5,000”.

3 (b) CONFORMING AMENDMENT.—Section
4 4973(e)(1)(A) of the Internal Revenue Code of 1986 is
5 amended by striking “\$2,000” and inserting “\$5,000”.

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to taxable years beginning after
8 December 31, 2006.

9 (d) PERMANENT EXTENSION OF MODIFICATIONS.—
10 Section 901 of the Economic Growth and Tax Relief Rec-
11 onciliation Act of 2001 (relating to sunset provisions) shall
12 not apply to section 401 of such Act (relating to modifica-
13 tions to education individual retirement accounts).

○