

117TH CONGRESS
1ST SESSION

H. R. 2983

To amend the Internal Revenue Code of 1986 to allow the deduction for interest paid on student loans without reduction for employer educational assistance.

IN THE HOUSE OF REPRESENTATIVES

MAY 4, 2021

Mr. KINZINGER (for himself and Mrs. MURPHY of Florida) 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 allow the deduction for interest paid on student loans without reduction for employer educational 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 “Readily Ending Debt
5 Under Corporate Engagement Act of 2021” or the “RE-
6 DUCE Act of 2021”.

1 **SEC. 2. STUDENT LOAN INTEREST DEDUCTION NOT OFFSET**
2 **BY EMPLOYER EDUCATIONAL ASSISTANCE.**

3 (a) IN GENERAL.—Section 221(d)(2)(A) of the Inter-
4 nal Revenue Code of 1986 is amended by striking “127,”.

5 (b) CHANGE TO DENIAL OF DOUBLE BENEFIT
6 RULE.—Section 221(e)(1) of such Code is amended by
7 striking “, or for which an exclusion is allowable under
8 section 127 to the taxpayer by reason of the payment by
9 the taxpayer’s employer of any indebtedness on a qualified
10 education loan of the taxpayer”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 December 31, 2020.

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