

117TH CONGRESS
1ST SESSION

H. R. 833

To amend the Internal Revenue Code of 1986 to increase the exclusion for employer-provided dependent care assistance including the limitation on dependent care flexible spending arrangements.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 2021

Ms. PORTER (for herself, Ms. HERRERA BEUTLER, Mr. LOWENTHAL, Mr. COLE, and Ms. NORTON) 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 increase the exclusion for employer-provided dependent care assistance including the limitation on dependent care flexible spending arrangements.

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 Savings for
5 Kids and Seniors Act”.

1 **SEC. 2. INCREASE IN EXCLUSION FOR EMPLOYER-PRO-**
2 **VIDED DEPENDENT CARE ASSISTANCE IN-**
3 **CLUDING DEPENDENT CARE FLEXIBLE**
4 **SPENDING ARRANGEMENTS.**

5 (a) INCREASE TO TAKE INTO ACCOUNT INFLATION
6 SINCE 1986.—Section 129(a)(2) of the Internal Revenue
7 Code of 1986 is amended by adding at the end the fol-
8 lowing new subparagraph:

9 “(D) INFLATION ADJUSTMENT.—In the
10 case of any taxable year beginning in a calendar
11 year after 2021, the \$5,000 amount in subpara-
12 graph (A) shall be increased by an amount
13 equal to—

14 “(i) such dollar amount, multiplied by

15 “(ii) the cost-of-living adjustment de-
16 termined under section 1(f)(3) for the cal-
17 endar year in which the taxable year be-
18 gins, determined by substituting ‘calendar
19 year 1986’ for ‘calendar year 2016’ in sub-
20 paragraph (A)(ii) thereof.

21 If any increase determined under this para-
22 graph is not a multiple of \$100, such increase
23 shall be rounded to the next lowest multiple of
24 \$100.”.

1 (b) CONFORMING AMENDMENT.—Section
2 129(a)(2)(A) of such Code is amended by striking
3 “\$2,500” and inserting “half such dollar amount”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to taxable years beginning after
6 December 31, 2021.

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