

107TH CONGRESS  
1ST SESSION

# S. 133

To amend the Internal Revenue Code of 1986 to make permanent the exclusion for employer-provided educational assistance programs, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JANUARY 22, 2001

Mr. BAUCUS (for himself and Mr. GRASSLEY) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to make permanent the exclusion for employer-provided 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 “Employee Educational  
5       Assistance Act”.

6       **SEC. 2. EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE**  
7       **PROGRAMS.**

8       (a) PERMANENT EXTENSION.—Section 127 of the  
9       Internal Revenue Code of 1986 (relating to exclusion for

1 educational assistance programs) is amended by striking  
 2 subsection (d) and by redesignating subsection (e) as sub-  
 3 section (d).

4 (b) REPEAL OF LIMITATION ON GRADUATE EDU-  
 5 CATION.—The last sentence of section 127(c)(1) of such  
 6 Code is amended by striking “, and such term also does  
 7 not include any payment for, or the provision of any bene-  
 8 fits with respect to, any graduate level course of a kind  
 9 normally taken by an individual pursuing a program lead-  
 10 ing to a law, business, medical, or other advanced aca-  
 11 demic or professional degree”.

12 (c) EFFECTIVE DATES.—

13 (1) EXTENSION.—The amendments made by  
 14 subsection (a) shall apply with respect to expenses  
 15 relating to courses beginning after the date of enact-  
 16 ment of this Act.

17 (2) GRADUATE EDUCATION.—The amendment  
 18 made by subsection (b) shall apply with respect to  
 19 expenses relating to courses beginning after Decem-  
 20 ber 31, 1998.

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