

113TH CONGRESS  
1ST SESSION

# H. R. 3497

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

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 14, 2013

Ms. DELAURO 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 increase the dollar limitation on the exclusion for employer-provided dependent care 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 “Child Care Flex Spend-  
5 ing Act of 2013”.

6 **SEC. 2. INCREASE IN DOLLAR LIMITATION ON EXCLUSION**

7 **FOR EMPLOYER-PROVIDED DEPENDENT**  
8 **CARE ASSISTANCE.**

9 (a) IN GENERAL.—Subparagraph (A) of section  
10 129(a)(2) of the Internal Revenue Code of 1986 is amend-

1 ed by striking “shall not exceed” and all that follows and  
2 inserting the following: “shall not exceed—

3 “(i) in the case of a taxpayer whose  
4 modified adjusted gross income for such  
5 taxable year is less than \$100,000 (twice  
6 such amount in the case of a joint return),  
7 \$10,000 (half such amount in the case of  
8 a separate return by a married individual),  
9 and

10 “(ii) in any other case, \$5,000 (half  
11 such amount in the case of a separate re-  
12 turn by a married individual).”.

13 (b) MODIFIED ADJUSTED GROSS INCOME.—Para-  
14 graph (2) of section 129(a) of such Code is amended by  
15 adding at the end the following new subparagraph:

16 “(D) MODIFIED ADJUSTED GROSS IN-  
17 COME.—For purposes of this paragraph, the  
18 term ‘modified adjusted gross income’ means  
19 the adjusted gross income of the taxpayer for  
20 the taxable year increased by any amount ex-  
21 cluded from gross income under section 911,  
22 931, or 933.”.

23 (c) INFLATION ADJUSTMENT.—Paragraph (2) of sec-  
24 tion 129(a) of such Code, as amended by subsection (b),

1 is amended by adding at the end the following new sub-  
2 paragraph:

3           “(E) INFLATION ADJUSTMENT.—In the  
4 case of any taxable year beginning in a calendar  
5 year after 2014, each dollar amount contained  
6 in subparagraph (A) shall be increased by an  
7 amount equal to—

8                   “(i) such dollar amount, multiplied by

9                   “(ii) the cost-of-living adjustment de-  
10 termined under section 1(f)(3) for the cal-  
11 endar year in which the taxable year be-  
12 gins, determined by substituting ‘calendar  
13 year 2013’ for ‘calendar year 1992’ in sub-  
14 paragraph (B) thereof.

15 Any increase determined under the preceding  
16 sentence shall be rounded to the nearest mul-  
17 tiple of \$50.”.

18       (d) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to taxable years beginning after  
20 December 31, 2013.

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