

114TH CONGRESS
2D SESSION

S. 2457

To amend the Internal Revenue Code of 1986 to extend the exclusion for employer-provided education assistance to employer payments of student loans.

IN THE SENATE OF THE UNITED STATES

JANUARY 20, 2016

Mr. WARNER (for himself, Mr. THUNE, and Mrs. CAPITO) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to extend the exclusion for employer-provided education assistance to employer payments of student loans.

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 “Employer Participation
5 in Repayment Act of 2016”.

6 **SEC. 2. EXCLUSION FOR CERTAIN EMPLOYER PAYMENTS**
7 **OF STUDENT LOANS.**

8 (a) IN GENERAL.—Paragraph (1) of section 127(c)
9 of the Internal Revenue Code of 1986 is amended by strik-

1 ing “and” at the end of subparagraph (A), by redesign-
 2 nating subparagraph (B) as subparagraph (C), and by in-
 3 serting after subparagraph (A) the following new subpara-
 4 graph:

5 “(B) the payment by an employer, whether
 6 paid to the employee or to a lender, of principal
 7 or interest on any qualified education loan (as
 8 defined in section 221(d)(1)) incurred by the
 9 employee, and”.

10 (b) CONFORMING AMENDMENT; DENIAL OF DOUBLE
 11 BENEFIT.—Paragraph (1) of section 221(e) of the Inter-
 12 nal Revenue Code of 1986 is amended by inserting before
 13 the period the following: “, or for which an exclusion is
 14 allowable under section 127 to the taxpayer’s employer by
 15 reason of the payment by such employer of any indebted-
 16 ness on a qualified education loan of the taxpayer”.

17 (c) EFFECTIVE DATE.—The amendments made by
 18 this section shall apply to payments made after December
 19 31, 2016.

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