

116TH CONGRESS  
1ST SESSION

# H. R. 1985

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.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 28, 2019

Ms. PORTER (for herself and Ms. HERRERA BEUTLER) 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 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 2019, 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, 2019.

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