

118TH CONGRESS  
1ST SESSION

# S. 3296

To amend the Internal Revenue Code of 1986 to expand and modify employer educational assistance programs, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

NOVEMBER 14 (legislative day, NOVEMBER 13), 2023

Ms. HASSAN (for herself, Mr. YOUNG, Ms. CORTEZ MASTO, and Mr. SCOTT of South Carolina) 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 expand and modify employer 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 “Upskilling and Re-  
5 training Assistance Act”.

6 **SEC. 2. TEMPORARY INCREASE IN EXCLUSION FOR EDU-**  
7 **CATIONAL ASSISTANCE PROGRAMS.**

8 In the case of taxable years beginning after December  
9 31, 2023, and before January 1, 2026, section 127(a)(2)

1 of the Internal Revenue Code of 1986 shall be applied by  
2 substituting “\$12,000” for “\$5,250” each place it ap-  
3 pears.

4 **SEC. 3. EXPENSES FOR EDUCATION-RELATED TOOLS AND**  
5 **TECHNOLOGY.**

6 (a) IN GENERAL.—Paragraph (1) of section 127(c)  
7 of the Internal Revenue Code of 1986 is amended by strik-  
8 ing “equipment” both places it appears in subparagraphs  
9 (A) and (C) thereof and inserting “education-related tools  
10 and technology and other equipment”.

11 (b) EDUCATION-RELATED TOOLS AND TECH-  
12 NOLOGY.—Subsection (c) of section 127 of the Internal  
13 Revenue Code of 1986 is amended by adding at the end  
14 the following new paragraph:

15 “(8) EDUCATION-RELATED TOOLS AND TECH-  
16 NOLOGY.—For purposes of paragraph (1), the term  
17 ‘education-related tools and technology’ includes  
18 any—

19 “(A) hand tools and construction equip-  
20 ment,

21 “(B) computer or peripheral equipment (as  
22 defined in section 168(i)(2)(B)),

23 “(C) computer software (as defined in sec-  
24 tion 197(e)(3)(B)),

1           “(D) internet access and related services  
2           (including equipment or technology necessary  
3           for internet access),

4           “(E) internet, mobile, or virtual reality  
5           learning tools and technology,

6           “(F) licensure fees, materials, or other  
7           equipment, and

8           “(G) any other tools or technology as de-  
9           termined by the Secretary,

10          provided to an employee which is required for the  
11          education of the employee or in connection with a  
12          course of instruction for the employee, or is required  
13          in order for the employee to obtain professional ad-  
14          vancement, to obtain any certification, licensure, or  
15          employment under any State, regional or national  
16          guidelines or regulations applicable to a trade or  
17          other skilled profession, or to maintain such a cer-  
18          tification, licensure, or employment through a con-  
19          tinuing education program.”.

20          (c) EMPLOYEE RETENTION OF EDUCATION-RE-  
21          LATED TOOLS AND TECHNOLOGY.—Paragraph (1) of sec-  
22          tion 127(c) of the Internal Revenue Code of 1986 is  
23          amended by striking “completion of a course of instruc-  
24          tion,” and inserting “completion of a course of instruction

1 (other than education-related tools and technology not de-  
2 scribed in paragraph (8)(D)),”.

3 (d) **EFFECTIVE DATE.**—The amendments made by  
4 this section shall apply to amounts paid or incurred on  
5 or after the first day of the calendar quarter which in-  
6 cludes the date of the enactment of this Act.

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