

118TH CONGRESS
1ST SESSION

S. _____

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

IN THE SENATE OF THE UNITED STATES

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 _____

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-RELATED
21 TOOLS AND TECHNOLOGY.—Paragraph (1) of section
22 127(c) of the Internal Revenue Code of 1986 is amended
23 by striking “completion of a course of instruction,” and
24 inserting “completion of a course of instruction (other

1 than education-related tools and technology not described
2 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.