

HR 5186

Help All Americans Save for College Act of 2016

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Taxation

Introduced: May 10, 2016

Current Status: Referred to the House Committee on Ways and Means.

Latest Action: Referred to the House Committee on Ways and Means. (May 10, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/5186>

Sponsor

Name: Rep. Poliquin, Bruce [R-ME-2]

Party: Republican • **State:** ME • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred To	May 10, 2016

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

No related bills are listed.

Help All Americans Save for College Act of 2016

This bill amends the Internal Revenue Code to modify the tax treatment of qualified tuition programs (known as 529 plans) and ABLE accounts. (Tax-favored ABLE [Achieving a Better Life Experience] accounts are designed to enable individuals with disabilities to save for and pay for disability-related expenses.)

The bill excludes employer contributions to an employee's 529 plan or ABLE account from the gross income of an individual, certain employment taxes, and taxes on self-employment earnings.

The exclusions are limited to the lesser of: (1) the compensation includable in the individual's gross income for the year, or (2) \$5,000 (\$10,000 in the case of a joint return) for each dependent of the taxpayer who is the designated beneficiary of a 529 plan.

The bill also allows an individual to deduct up to \$5,000 of the aggregate contributions of the individual to a 529 plan and an ABLE account.

The bill revises the 10% additional tax for distributions from a 529 plan or an ABLE account that are not used for qualified purposes to change the rate to the greater of: (1) 10%, or (2) the highest rate of income tax applicable to the taxpayer.

Actions Timeline

- **May 10, 2016:** Introduced in House
- **May 10, 2016:** Referred to the House Committee on Ways and Means.