

HR 8787

STAR Act of 2020

Congress: 116 (2019–2021, Ended)

Chamber: House

Policy Area: Taxation

Introduced: Nov 19, 2020

Current Status: Referred to the Committee on Ways and Means, and in addition to the Committee on Education and Labor

Latest Action: Referred to the Committee on Ways and Means, and in addition to the Committee on Education and Labor, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. (Nov 19, 2020)

Official Text: <https://www.congress.gov/bill/116th-congress/house-bill/8787>

Sponsor

Name: Rep. Lesko, Debbie [R-AZ-8]

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

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred To	Nov 19, 2020
Ways and Means Committee	House	Referred To	Nov 19, 2020

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
116 S 2962	Related bill	Dec 2, 2019: Read twice and referred to the Committee on Finance.

Student Aid and Tax Advantaged Accounts Reform Act of 2020 or the STAR Act of 2020.

This bill permits annual tax and penalty-free withdrawals of up to \$5,250 from 401(k) plans for higher education expenses and penalty-free withdrawals from individual retirement accounts (IRAs) for student loan expenses of taxpayers, spouses, children, and grandchildren.

The bill also excludes from gross income, for income tax purposes, distributions up to \$5,250 from employer-sponsored student loan and tuition payment plans. It repeals the limitation on the deduction of interest on student loans and increases from \$15,000 to \$25,000 (adjusted for inflation) the maximum contribution amounts for certain tax-preferred retirement plans.

The bill allows employees an election to treat contributions to a 401(k) plan as Roth contributions (thus exempting withdrawals from such plans from tax at retirement).

Actions Timeline

- **Nov 19, 2020:** Introduced in House
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