Friday, November 3, 2017

The Hon. Kevin Brady   The Hon. Richard Neal
Chairman   Ranking Member
House Committee on Ways and Means   House Committee on Ways and Means
1102 LHOB   1139E LHOB
Washington, DC 20515   Washington, DC 20515

Dear Chairman Brady and Ranking Member Neal,

On behalf of the undersigned organizations, we strongly urge you to not only maintain but strengthen IRC Sec. 127 – employer-provided education assistance – as you consider H.R. 1. We represent the broad and diverse Coalition to Preserve Employer-Provided Education Assistance (Sec. 127 Coalition) comprised of higher education, business, and labor organizations.

Sec. 127 is a popular employer-provided benefit that enjoys bipartisan support. Sec. 127 allows an employee to exclude from income up to $5,250 per year in assistance for any type of educational course work at the undergraduate and graduate level. Sec. 127 was enacted as an expiring tax benefit in 1978, and unfortunately, the benefit amount of $5,250 annually has not been increased in almost 40 years. At the time, the benefit was intended to allow employers to completely cover the cost of higher education. It remained an expiring provision until it was finally made permanent in the American Taxpayer Relief Act (Pub.L. 112–240) on January 1, 2013.

H.R. 1, released yesterday, proposes to eliminate this vital provision. We believe removing the tax treatment of this important benefit will not only have implications for employees who utilize the benefit in order to further their education, but will create a barrier for employers who want to invest in their workforce. This benefit is an important tool for employers to attract and retain top talent and build a skilled workforce. Additionally, this benefit is enables employees to advance their education and improve their skillsets in order to compete in a global economy.

The Coalition strongly urges you to preserve Sec. 127 as it plays a critical role in maintaining U.S. competitiveness and could, if strengthened, become the premier employee benefit for both tuition assistance and student loan repayments among employers.

Sincerely,

Members of the Section 127 Coalition:

American Association of College Registrars
American Association of Community Colleges
American Association of State Colleges and Universities
American Association of University Professors
American Council on Education
American Federation of State, County and Municipal Employees
American Federation of Teachers
American Society for Engineering Education
Asbury College
Associated General Contractors of America
Association of Public and Land Grant Universities
Association for Talent Development
Association of American Universities
Association of Community College Trustees
Association of Jesuit Colleges and Universities
Bellarmine University
Bellevue University
Brescia University
College & University Professional Association for Human Resources
College Bound
Cornell University
Corporate Voices for Working Families
Council for Adult and Experiential Learning
Council of Graduate Schools
Creighton University
Dobler College Consulting
Duke University
Edlink, LLC
Emory University
ERISA Industry Committee
Fresno Pacific University
Government Finance Officers Association
Guidance Gurus
Hartford Consortium for Higher Education
Hewlett-Packard
Hope College
Information Technology Industry Council
Institute of Electric and Electronics Engineers
International Public Management Association for Human Resources
John Carroll University
Lehigh University
Loyola University
Marquette University
Mercer University
MetroHartford Alliance
National Adult Learner Coalition

National Association of Colleges and Universities Business Officers
National Association of Graduate Professional Students
National Association of Independent Colleges and Universities
National Association of Independent Schools
National Council for Advanced Manufacturing
National Public Employer Labor Relations Association
National Tooling and Machining Association
Neumann University
New York University
North American Die Casting Association
Pace University
Pepperdine University
Precision Machined Products Association
Princeton University
Raytheon
Rochester Institute of Technology
Seton Hall University
Society for Human Resource Management
Starbucks Coffee Company
St. John's College
St. John's University
Syracuse University
TechAmerica
The George Washington University
The Precision Metalforming Association
Training Solutions, Inc.
United Auto Workers
United Technologies Corporation
University Professional and Continuing Education Association
University of Pennsylvania
University of Rochester
Vanderbilt University
Verizon
Webster University
Westminster College
Yale University
Zmarketeers, Inc