

THE COALITION TO PRESERVE  
EMPLOYER PROVIDED  
EDUCATION ASSISTANCE



Friday, November 3, 2017

The Hon. Kevin Brady  
Chairman  
House Committee on Ways and Means  
1102 LHOB  
Washington, DC 20515

The Hon. Richard Neal  
Ranking Member  
House Committee on Ways and Means  
1139E LHOB  
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 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  
Bellarmino 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  
Zmarketees, Inc