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(Original Signature of Member)

112TH CONGRESS
2D SESSION

H. R.

To amend the Internal Revenue Code of 1986 to expand access to Coverdell education savings accounts.

IN THE HOUSE OF REPRESENTATIVES

Mr. GARDNER introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to expand access to Coverdell education savings accounts.

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 “Making College Afford-
5 able Act of 2012”.

6 **SEC. 2. EXPANSION OF COVERDELL EDUCATION SAVINGS**
7 **ACCOUNTS.**

8 (a) INCREASE IN AGE LIMITATION OF BENEFICIARY
9 AFTER WHICH CONTRIBUTIONS TO ACCOUNT CANNOT

1 BE MADE.—Clause (ii) of section 530(b)(1)(A) of the In-
2 ternal Revenue Code of 1986 is amended by striking “age
3 18” and inserting “age 26”.

4 (b) INCREASE IN ANNUAL DOLLAR LIMITATION ON
5 CONTRIBUTIONS TO ACCOUNT.—

6 (1) IN GENERAL.—Clause (iii) of section
7 530(b)(1)(A) of such Code is amended by striking
8 “\$2,000” and inserting “\$10,000”.

9 (2) INFLATION ADJUSTMENT.—Subsection (b)
10 of section 530 of such Code is amended by adding
11 at the end the following new paragraph:

12 “(5) INFLATION ADJUSTMENT.—

13 “(A) IN GENERAL.—In the case of any
14 taxable year beginning in a calendar year after
15 2012, the dollar amount in paragraph
16 (1)(A)(iii) shall be increased by an amount
17 equal to—

18 “(i) such dollar amount, multiplied by

19 “(ii) the cost-of-living adjustment de-
20 termined under section 1(f)(3) for the cal-
21 endar year, determined by substituting
22 ‘calendar year 2011’ for ‘calendar year
23 1992’ in subparagraph (B) thereof.

24 “(B) ROUNDING RULE.—If any increase
25 determined under subparagraph (A) is not a

1 multiple of \$100, such amount shall be rounded
2 to the nearest multiple of \$100.”.

3 (c) EFFECTIVE DATES.—

4 (1) INCREASE IN AGE LIMITATION.—The
5 amendments made by subsection (a) shall apply to
6 contributions made after the date of the enactment
7 of this Act.

8 (2) INCREASE IN ANNUAL DOLLAR LIMITATION
9 ON CONTRIBUTIONS.—The amendments made by
10 subsection (b) shall apply to contributions made in
11 taxable years ending after the date of the enactment
12 of this Act.