

119TH CONGRESS
1ST SESSION

H. R. 413

To amend the Internal Revenue Code of 1986 to index dependent care assistance programs to inflation.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2025

Mrs. BICE (for herself, Ms. SÁNCHEZ, Mr. FEENSTRA, Ms. HOULAHAN, Mr. MOOLENAAR, Mr. NUNN of Iowa, Mr. TORRES of New York, and Mr. MAGAZINER) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to index dependent care assistance programs to inflation.

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 “Combating High Infla-
5 tion Limiting Daycare Act of 2025” or the “CHILD Act
6 of 2025”.

1 **SEC. 2. INCREASED MAXIMUM CONTRIBUTION TO DEPEND-**
2 **ENT CARE ASSISTANCE PROGRAMS.**

3 (a) IN GENERAL.—Section 129(a)(2)(A) of the Inter-
4 nal Revenue Code of 1986 is amended by striking “\$5,000
5 (\$2,500” and inserting “\$10,000 (\$5,000”.

6 (b) COST-OF-LIVING ADJUSTMENT.—Section 129 of
7 such Code is amended by adding at the end the following
8 new subsection:

9 “(f) INFLATION ADJUSTMENT.—

10 “(1) IN GENERAL.—Each dollar amount in this
11 section shall be increased by an amount equal to—

12 “(A) such dollar amount, multiplied by

13 “(B) the cost-of-living adjustment deter-
14 mined under section 1(f)(3) for the calendar
15 year in which such taxable year begins, deter-
16 mined by substituting ‘calendar year 2023’ for
17 ‘calendar year 2016’ in subparagraph (A)(ii)
18 thereof.

19 “(2) ROUNDING.—If any increase under para-
20 graph (1) is not a multiple of \$50, such increase
21 shall be rounded to the nearest multiple of \$50.”.

22 (c) REMOVING DEADWOOD.—Section 129(a)(2) of
23 such Code is amended by striking subparagraph (D).

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to calendar years beginning after
3 December 31, 2024.

