

U.S. Rep. Steil: Allow 529 savings plans to cover expenses related to learning from home during the pandemic

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JANESVILLE, WISCONSIN—Today in [The Hill](#), Bryan Steil penned an op-ed on the importance of allowing families to use 529 education savings to cover expenses incurred while students are learning from home during the coronavirus pandemic. [Steil is leading a congressional effort with a dozen of his colleagues](#) to include language in future relief bills that would allow parents to use 529 savings without tax or penalty to cover expenses incurred while students are learning from home.

[Nearly 50 national and state organizations](#), including [Wisconsin Institute for Law and Liberty](#), support Steil's effort to expand 529 accounts.

[The Hill: Allow 529 savings plans to cover expenses related to learning from home during the pandemic](#)

Math class at the kitchen table. Gym outside in the backyard. History class from the living room. Families of the 50 million students across the nation forced to learn at home are facing a unique financial challenge.

In a time of crisis, targeted and innovative actions must be taken to ease the burden on families, especially when it comes to at-home and online schooling. We must address the costs incurred by families, like new materials, books, laptops or online educational programs.

That is why [I am leading an effort in Congress to allow parents to use 529 funds to cover their child's expenses during the pandemic](#). A dozen of my colleagues and [nearly 50 national and state organizations agree with me](#): families should have the ability to use their education savings for distance learning expenses without penalty.

529 plans were designed by Congress to allow families to save money tax free for their child's education expenses. Many families have taken advantage of this program. Currently, 529 plans can be used for college tuition and fees, K-12 tuition, and apprenticeship programs. However, under current law, using this money for costs incurred by virtual learning is subject to burdensome federal taxes and penalties. This must change.

Now more than ever, families need flexibility.

In Wisconsin alone, more than 900,000 students are currently learning at home. According to a forthcoming [Wisconsin Institute for Law and Liberty survey](#) of Wisconsin parents, about 30 percent have incurred education expenses as a result of recent school closures. As noted by WILL, thousands of families across Wisconsin utilize 529 savings plans.

We should allow distributions for such distance learning expenses to be treated in the same manner as distributions for qualified higher education expenses and similar distributions for elementary and secondary school tuition.

Eliminating the tax and penalty on 529 withdrawals for distance learning has no cost to taxpayers. This change simply allows parents to use their own money to educate their kids. Allowing parents to use their 529 savings eases the financial burden on families without costing taxpayers a dime.

The coronavirus pandemic has led to a need to drastically increase the capability of parents, teachers and schools to teach children from their homes. The need to implement online and distance learning can add an additional financial burden to family budget worries at this trying time.

In the past few weeks, I have seen firsthand how local schools are implementing creative approaches. Last spring, I met with multiple school groups from Wisconsin to talk and answer their questions. Usually, I do this on the steps of the U.S. Capitol during spring school trips to D.C. or in classrooms during my visits to schools across

Southeast Wisconsin. This year looked a bit different. Rather than meeting in person, I have held video conference calls. On one such call with an AP Government class from Parker High School in Janesville, Wis., I was able to talk to students and answer questions ranging from climate change to our national debt. Utilizing Google Meet, we found a creative approach to help students learning from home.

Just like schools are finding innovative ways to continue educating students from home, Congress must also innovate.

As the House, Senate, and Trump administration continue combating the coronavirus pandemic, we must look to make smart, targeted changes to federal regulations that can positively impact families. Congress should act to allow 529 education savings plans to cover expenses related to learning from home. I will not stop fighting for students and families.