



FASEB

Federation of American Societies
for Experimental Biology

Representing Over 130,000 Researchers

301.634.7000
www.faseb.org

9650 Rockville Pike
Bethesda, MD 20814

December 12, 2017

The Honorable Kevin Brady
Chairman
House Ways and Means Committee
1102 Longworth House Office Building
Washington, DC 20515

Dear Chairman Brady:

The Federation of American Societies for Experimental Biology (FASEB) opposes the provision in the House version of The Tax Cuts and Jobs Act (HR 1) that would eliminate Section 117(d)(5) of the Internal Revenue Service (IRS) code. FASEB urges the conference committee to ensure that the final version of HR 1 does not include this harmful provision.

FASEB is composed of 31 scientific and professional member societies collectively representing over 130,000 biological and biomedical researchers. Our mission is to advance health and welfare by promoting progress and education in biological and biomedical sciences.

Repealing Section 117(d) (5) of the IRS code will increase tax liability for thousands of graduate students. Department of Education data indicates that approximately 145,000 graduate students received a tuition reduction from 2011-2012, including nearly 25 percent of those who pursued a PhD and six percent who sought a Master's degree.

Taxing tuition waivers for graduate students will create a financial hardship for individuals who typically have modest incomes. More than half (55 percent) of all master's and PhD candidates had adjusted gross incomes of \$20,000 or less.

Providing tuition remission allows universities and colleges to reduce the cost of graduate education for students who teach or conduct research as part of their training. According to the Department of Education, 57 percent of tuition waivers were directed to graduate students in science, technology, engineering, and math programs.

Ensuring that the U.S. will be able to continue to attract and retain the most talented people in science careers is essential to creating a dynamic and thriving scientific enterprise and growing

our economy. Changes in the tax code that create financial hardships for students pursuing a graduate education threaten to erode the U.S.'s role as a world leader in research. Therefore, FASEB urges Congress to preserve the tax exemption for graduate student tuition waivers.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas O. Baldwin". The signature is fluid and cursive, with the first name "Thomas" being the most prominent.

Thomas O. Baldwin, PhD
FASEB President

cc: The Honorable Paul Ryan, Speaker
The Honorable Nancy Pelosi, Democratic Leader
The Honorable Mitch McConnell, Senate Majority Leader
The Honorable Chuck Schumer, Senate Minority Leader
The Honorable Devin Nunes
The Honorable Peter Roskam
The Honorable Diane Black
The Honorable Kristi Noem
The Honorable Rob Bishop
The Honorable Don Young
The Honorable Fred Upton
The Honorable John Shimkus
The Honorable Richard Neal
The Honorable Sander Levin
The Honorable Lloyd Doggett
The Honorable Kathy Castor
The Honorable Raul Grijalva
The Honorable Orrin Hatch
The Honorable Mike Enzi
The Honorable Lisa Murkowski
The Honorable John Cornyn
The Honorable John Thune
The Honorable Rob Portman
The Honorable Tim Scott
The Honorable Pat Toomey
The Honorable Ron Wyden
The Honorable Bernie Sanders
The Honorable Patty Murray
The Honorable Maria Cantwell
The Honorable Debbie Stabenow
The Honorable Bob Menendez
The Honorable Tom Carper