



FASEB

Federation of American Societies
for Experimental Biology

Representing Over 130,000 Researchers

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FASEB Statement on Taxation of Graduate Student Tuition Waivers

The Federation of American Societies for Experimental Biology (FASEB) opposes the provision in The Tax Cuts and Jobs Act (HR 1) that would eliminate Section 117(d)(5) of the Internal Revenue Service (IRS) code. Section 117(d)(5) exempts tuition waivers from taxable income for graduate students who serve as teaching or research assistants.

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.

Approved November 9, 2017

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American Society for Investigative Pathology • American Society for Nutrition • The American Association of Immunologists • American Association of Anatomists
The Protein Society • Society for Developmental Biology • American Peptide Society • Association of Biomolecular Resource Facilities
The American Society for Bone and Mineral Research • American Society for Clinical Investigation • Society for the Study of Reproduction • The Teratology Society
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Society for Glycobiology • Association for Molecular Pathology • Society for Redox Biology and Medicine • Society For Experimental Biology and Medicine
American Aging Association (AGE) • U.S. Human Proteome Organization (US HUPO) • Society of Toxicology (SOT)