



FINANCIAL FORUM

A New Way to Pay for Credentials, Certifications and More

Editorial Staff | DIGITAL EXCLUSIVE

While 529 accounts are commonly utilized to pay for postsecondary education including tuition, books and other qualified expenses, they can't be used to pay costs for postsecondary credentials, certifications or workforce training. New [legislation](#) aims to change that.

The Freedom to Invest in Tomorrow's Workforce Act, introduced into both the House (H.R. 2171) and Senate (S. 905), would "amend the Internal Revenue Code of 1986 to permit certain expenses associated with obtaining or maintaining recognized postsecondary credentials to be treated as qualified higher education expenses for purposes of 529 accounts."

For those unfamiliar, 529 accounts are tax-advantaged, state-sponsored investment accounts, money from which can be used for qualified education expenses. (To learn more about 529 accounts, [click here](#).)



Mina Larson, chief executive officer of the NCCAOM, emphasized the importance of the new legislation:

"The NCCAOM is excited to support H.R. 2171 and S. 905, also known as the Freedom to Invest in Tomorrow's Workforce Act, which would expand eligible uses of tax-favorable '529' savings plans to cover costs associated with workforce training and credentialing programs such as NCCAOM examination and certification costs.

"Expanding eligible uses for 529 plans can support those who wish to enter the profession of acupuncture and herbal medicine, as the bill opens up tax-favored 529 plans for use by a much larger population of Americans at all income levels. The bipartisan legislation would help displaced workers, professionals seeking to transition careers, veterans, military spouses, and primary caregivers re-entering the workforce to use their 529 savings plan to pay for examination and certification costs, as well as workforce training programs that can lead to jobs."

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