



EDUCATION & SEMINARS

A Better Way to Pay

FOR OBTAINING AND MAINTAINING PROFESSIONAL CREDENTIALS,
CERTIFICATIONS AND MORE.

Editorial Staff

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. Congressional [legislation](#) aims to change that.

The Freedom to Invest in Tomorrow's Workforce Act, under review by 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. According to the IRS:

A qualified tuition program (QTP), also referred to as a section 529 plan, is a program established and maintained by a state, or an agency or instrumentality of a state, that allows a contributor either to prepay a beneficiary's qualified higher education expenses at an eligible educational institution or to contribute to an account for paying those expenses. ... It is an investment vehicle designed to help families pay for future expenses associated with college or other qualified post-secondary training. Though contributions to a 529 plan are not deductible, these plans offer other tax advantages and are named after Section 529 of the Internal Revenue Code. All 50 states and the District of Columbia sponsor at least one type of 529 plan.



We reached out to Mina Larson, chief executive officer of the NCCAOM, who 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."

Editor's Note: If any significant action regarding either the House or Senate version of the bill occurred after press time, you should have received a breaking news email. If not, visit www.congress.gov and search for either bill by name (i.e., H.R. 2171, S. 905).

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