Dear Leader McConnell, Speaker Ryan, Leader Schumer, Leader Pelosi, Chairman Hatch, Chairman Brady, Ranking Member Wyden, and Ranking Member Neal:

We the undersigned write to express our grave concern with a provision in H.R. 1, the Tax Cuts and Jobs Act, that would result in a significant tax increase on graduate students. The House bill would eliminate the exclusion of “qualified tuition reductions” from taxable income. The effect would be to tax the value of tuition waivers that graduate students receive in exchange for serving as teaching or research assistants during their course of study. Tuition waivers are money that students never see, and by including it in their taxable income, some could see their tax bills double or worse.\(^\text{1,2}\) For example, the University of Illinois estimates that its graduate students receiving tuition waivers would see their taxable income increase by $19,000 on average.\(^\text{3}\) With 55% of graduate students nationwide earning an adjusted gross income of $20,000 or less, and 87%

\(^\text{3}\)https://www.ogr.uillinois.edu/UserFiles/Servers/Server_87846/File/FederalRelations/Univ.%20of%20illinois%20Grad%20H.R.%201%20FINAL.pdf
earning $50,000 or less, they cannot afford a major increase in their tax burden. In the words of one student, "that would push us to the poverty line."

As you know, the United States is one of the most innovative countries in the world, thanks in no small part to our top-notch graduate education system. American graduate students go on to become top scientists, engineers, researchers, and leaders, and they generate many of the innovations that drive our economy. If this provision becomes law, the effect will be to make graduate school unaffordable for thousands of students, with dire consequences for our knowledge-driven economy.

We hold a variety of different views on this tax reform legislation, but we all agree that limiting access to graduate education is not the way to grow the economy and create jobs. We urge you to remove the provision taxing graduate school tuition waivers from the final version of the Tax Cuts and Jobs Act.

Sincerely,

Daniel Lipinski  
Member of Congress

Bill Foster  
Member of Congress

Michael E. Capuano  
Member of Congress

Carol Shea-Porter  
Member of Congress

Jacky Rosen  
Member of Congress

Jerry McNerney  
Member of Congress

Donald S. Beyer Jr.  
Member of Congress

Stephanie Murphy  
Member of Congress

Jim Costa  
Member of Congress

Salud O. Carbajal  
Member of Congress

---

4https://www.aau.edu/sites/default/files/AAU-Files/Key-Issues/Taxation-Finance/Aid-Students-Families/Qualified-Tuition-Reduction-117d.pdf

Colleen Hanabusa
Member of Congress

André Carson
Member of Congress

Anna G. Eshoo
Member of Congress

Mark DeSaulnier
Member of Congress

William R. Keating
Member of Congress

Richard M. Nolan
Member of Congress

Sheila Jackson Lee
Member of Congress

David Price
Member of Congress

Charlie Crist
Member of Congress

Peter A. DeFazio
Member of Congress

Albio Sires
Member of Congress

Seth Moulton
Member of Congress

Brenda Lawrence
Member of Congress

Scott H. Peters
Member of Congress

Kathleen Rice
Member of Congress

Brendan F. Boyle
Member of Congress

Kyriakos Skoumas
Member of Congress

Debbie Dingell
Member of Congress

Barbara Lee
Member of Congress

Mark Pocan
Member of Congress
Bonnie Watson Coleman  
Member of Congress  

Dina Titus  
Member of Congress

Joyce Beatty  
Member of Congress

Louise M. Slaughter  
Member of Congress

Ro Khanna  
Member of Congress

Kathy Castor  
Member of Congress

Pramila Jayapal  
Member of Congress

A. Craig Espy  
Member of Congress

Stephen F. Lynch  
Member of Congress

Jim Garamendi  
Member of Congress

Tom O'Halleran  
Member of Congress

Peter King  
Member of Congress