

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1034

To amend the Internal Revenue Code of 1986 to increase the health insurance tax deduction for self-employed individuals.

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IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 23, 1995

Mrs. MEYERS of Kansas introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the health insurance tax deduction for self-employed individuals.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. INCREASE IN HEALTH INSURANCE TAX DEDUC-**  
4 **TION FOR SELF-EMPLOYED INDIVIDUALS.**

5 (a) INCREASE IN AMOUNT OF DEDUCTION.—Para-  
6 graph (1) of section 162(l) of the Internal Revenue Code  
7 of 1986 (relating to special rules for health insurance costs  
8 of self-employed individuals) is amended by striking “25  
9 percent of” and inserting “100 percent (50 percent in the  
10 case of taxable years beginning in 1997 or 1998 and 75

1 percent in the case of taxable years beginning in 1999 or  
2 2000) of’.

3 (b) TREATMENT OF SELF-EMPLOYED CONTRIBU-  
4 TIONS TO CERTAIN GROUP HEALTH PLANS.—Paragraph  
5 (2) of section 162(l) of such Code is amended by adding  
6 at the end thereof the following new subparagraph:

7 “(C) TREATMENT OF GROUP HEALTH  
8 PLANS.—For purposes of this subsection, an  
9 amount paid into an exempted multiple em-  
10 ployer health plan (as defined in section 701(9)  
11 of the Employee Retirement Income Security  
12 Act of 1974, as added by the ERISA Targeted  
13 Health Insurance Reform Act of 1995) shall be  
14 deemed to be an amount paid for insurance  
15 which constitutes medical care.”

16 (c) EFFECTIVE DATE.—The amendments made by  
17 this section shall apply to taxable years beginning after  
18 December 31, 1996.

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