

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO RULES COMMITTEE PRINT 113-8 (RELAT-
ING TO H.R. 1549, AS REPORTED)
OFFERED BY MR. PALLONE OF NEW JERSEY**

Strike all after the enacting clause and insert the
following:

1 **SECTION 1. EXTENSION OF FUNDING FOR REOPENING EN-**
2 **ROLLMENT UNDER THE PREEXISTING CONDI-**
3 **TION INSURANCE PROGRAM.**

4 (a) IN GENERAL.—Subsection (g)(1) of section 1101
5 of the Patient Protection and Affordable Care Act (42
6 U.S.C. 18001) is amended by striking “Such funds” and
7 inserting the following: “In addition to the funds appro-
8 priated under the previous sentence, there is appropriated
9 to the Secretary, out of any moneys in the Treasury not
10 otherwise appropriated, \$2,800,000,000 to pay claims
11 (and administrative costs) described in such sentence.
12 Funds appropriated under this paragraph”.

13 (b) REOPENING PROGRAM ENROLLMENT.—The Sec-
14 retary of Health and Human Services shall resume taking
15 applications for participation under the temporary high-
16 risk health insurance program under such section 1101,

1 but only to the extent consistent with the limitation im-
2 posed under subsection (g)(4) of such section.

3 (c) CONSTRUCTION.—Nothing in this section shall be
4 construed as changing the application of subsection (g)(3)
5 of such section (relating to termination of authority).

6 **SEC. 2. IMMEDIATE ACCESS TO HEALTH CARE FOR SICK**
7 **AMERICANS.**

8 (a) IN GENERAL.—Section 1101(d) of the Patient
9 Protection and Affordable Care Act (42 U.S.C. 18001(d))
10 is amended—

11 (1) in paragraph (1), by adding at the end
12 “and”;

13 (2) by striking paragraph (2); and

14 (3) by redesignating paragraph (3) as para-
15 graph (2).

16 (b) EFFECTIVE DATE.—The amendments made by
17 subsection (a) shall apply with respect to individuals ap-
18 plying for coverage through the high risk insurance pool
19 program on or after the date of the enactment of this Act.

20 **SEC. 3. INCREASE IN RATE OF EXCISE TAX ON CIGARETTES.**

21 (a) IN GENERAL.—Section 5701(b)(1) of the Internal
22 Revenue Code of 1986 is amended by inserting “(\$52.33
23 per thousand in the case of cigarettes removed after De-
24 cember 31, 2013 and before January 1, 2024)” after
25 “\$50.33 per thousand”.

1 (b) FLOOR STOCKS TAXES.—

2 (1) IMPOSITION OF TAX.—On cigarettes de-
3 scribed in section 5701(b)(1) of the Internal Rev-
4 enue Code of 1986 manufactured in or imported into
5 the United States which are removed before January
6 1, 2014, and held on such date for sale by any per-
7 son, there is hereby imposed a tax in an amount
8 equal to the excess of—

9 (A) the tax which would be imposed under
10 section 5701 of such Code on the article if the
11 article had been removed on such date, over

12 (B) the prior tax (if any) imposed under
13 section 5701 of such Code on such article.

14 (2) CREDIT AGAINST TAX.—Each person shall
15 be allowed as a credit against the taxes imposed by
16 paragraph (1) an amount equal to \$500. Such credit
17 shall not exceed the amount of taxes imposed by
18 paragraph (1) on January 1, 2014, for which such
19 person is liable.

20 (3) LIABILITY FOR TAX AND METHOD OF PAY-
21 MENT.—

22 (A) LIABILITY FOR TAX.—A person hold-
23 ing cigarettes referred to in paragraph (1) on
24 January 1, 2014, to which any tax imposed by

1 paragraph (1) applies shall be liable for such
2 tax.

3 (B) METHOD OF PAYMENT.—The tax im-
4 posed by paragraph (1) shall be paid in such
5 manner as the Secretary shall prescribe by reg-
6 ulations.

7 (C) TIME FOR PAYMENT.—The tax im-
8 posed by paragraph (1) shall be paid on or be-
9 fore May 1, 2014.

10 (4) ARTICLES IN FOREIGN TRADE ZONES.—
11 Notwithstanding the Act of June 18, 1934 (com-
12 monly known as the Foreign Trade Zone Act, 48
13 Stat. 998, 19 U.S.C. 81a et seq.) or any other provi-
14 sion of law, any article which is located in a foreign
15 trade zone on July 1, 2013, shall be subject to the
16 tax imposed by paragraph (1) if—

17 (A) internal revenue taxes have been deter-
18 mined, or customs duties liquidated, with re-
19 spect to such article before such date pursuant
20 to a request made under the 1st proviso of sec-
21 tion 3(a) of such Act, or

22 (B) such article is held on such date under
23 the supervision of an officer of the United
24 States Customs and Border Protection of the

1 Department of Homeland Security pursuant to
2 the 2d proviso of such section 3(a).

3 (5) DEFINITIONS.—For purposes of this sub-
4 section—

5 (A) IN GENERAL.—Any term used in this
6 subsection which is also used in section 5702 of
7 the Internal Revenue Code of 1986 shall have
8 the same meaning as such term has in such
9 section.

10 (B) SECRETARY.—The term “Secretary”
11 means the Secretary of the Treasury or the
12 Secretary’s delegate.

13 (6) CONTROLLED GROUPS.—Rules similar to
14 the rules of section 5061(e)(3) of such Code shall
15 apply for purposes of this subsection.

16 (7) OTHER LAWS APPLICABLE.—All provisions
17 of law, including penalties, applicable with respect to
18 the taxes imposed by section 5701 of such Code
19 shall, insofar as applicable and not inconsistent with
20 the provisions of this subsection, apply to the floor
21 stocks taxes imposed by paragraph (1), to the same
22 extent as if such taxes were imposed by such section
23 5701. The Secretary may treat any person who bore
24 the ultimate burden of the tax imposed by para-

1 graph (1) as the person to whom a credit or refund
2 under such provisions may be allowed or made.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to articles removed (as defined in
5 section 5702(j) of the Internal Revenue Code of 1986)
6 after December 31, 2013.

Amend the title so as to read: “A Bill to amend section 1101 of the Patient Protection and Affordable Care Act to provide additional funds to permit additional individuals to enroll under the preexisting condition insurance program and expand eligibility, to be funded through a temporary increase in the cigarette tax, and for other purposes.”.

