

Calendar No. 157

116TH CONGRESS
1ST SESSION**H. R. 748**

IN THE SENATE OF THE UNITED STATES

JULY 18, 2019

Received; read the first time

JULY 22, 2019

Read the second time and placed on the calendar

AN ACT

To amend the Internal Revenue Code of 1986 to repeal the excise tax on high cost employer-sponsored health coverage.

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. SHORT TITLE.**

4 This Act may be cited as the “Middle Class Health
5 Benefits Tax Repeal Act of 2019”.

6 **SEC. 2. REPEAL OF EXCISE TAX ON HIGH COST EMPLOYER-**
7 **SPONSORED HEALTH COVERAGE.**

8 (a) IN GENERAL.—Chapter 43 of the Internal Rev-
9 enue Code of 1986 is amended by striking section 4980I.

1 (b) CONFORMING AMENDMENTS.—

2 (1) Section 6051 of such Code is amended—

3 (A) by striking “section 4980I(d)(1)” in
4 subsection (a)(14) and inserting “subsection
5 (g)”, and

6 (B) by adding at the end the following new
7 subsection:

8 “(g) APPLICABLE EMPLOYER-SPONSORED COV-
9 ERAGE.—For purposes of subsection (a)(14)—

10 “(1) IN GENERAL.—The term ‘applicable em-
11 ployer-sponsored coverage’ means, with respect to
12 any employee, coverage under any group health plan
13 made available to the employee by an employer
14 which is excludable from the employee’s gross in-
15 come under section 106, or would be so excludable
16 if it were employer-provided coverage (within the
17 meaning of such section 106).

18 “(2) EXCEPTIONS.—The term ‘applicable em-
19 ployer-sponsored coverage’ shall not include—

20 “(A) any coverage (whether through insur-
21 ance or otherwise) described in section
22 9832(c)(1) (other than subparagraph (G) there-
23 of) or for long-term care,

24 “(B) any coverage under a separate policy,
25 certificate, or contract of insurance which pro-

1 vides benefits substantially all of which are for
2 treatment of the mouth (including any organ or
3 structure within the mouth) or for treatment of
4 the eye, or

5 “(C) any coverage described in section
6 9832(c)(3) the payment for which is not exclud-
7 able from gross income and for which a deduc-
8 tion under section 162(l) is not allowable.

9 “(3) COVERAGE INCLUDES EMPLOYEE PAID
10 PORTION.—Coverage shall be treated as applicable
11 employer-sponsored coverage without regard to
12 whether the employer or employee pays for the cov-
13 erage.

14 “(4) GOVERNMENTAL PLANS INCLUDED.—Ap-
15 plicable employer-sponsored coverage shall include
16 coverage under any group health plan established
17 and maintained primarily for its civilian employees
18 by the Government of the United States, by the gov-
19 ernment of any State or political subdivision thereof,
20 or by any agency or instrumentality of any such gov-
21 ernment.”.

22 (2) Section 9831(d)(1) of such Code is amend-
23 ed by striking “except as provided in section
24 4980I(f)(4)”.

1 (3) The table of sections for chapter 43 of such
2 Code is amended by striking the item relating to sec-
3 tion 4980I.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to taxable years beginning after
6 December 31, 2019.

7 **SEC. 3. BUDGETARY EFFECTS.**

8 (a) STATUTORY PAYGO SCORECARDS.—The budg-
9 etary effects of this Act shall not be entered on either
10 PAYGO scorecard maintained pursuant to section 4(d) of
11 the Statutory Pay-As-You-Go Act of 2010.

12 (b) SENATE PAYGO SCORECARDS.—The budgetary
13 effects of this Act shall not be entered on any PAYGO
14 scorecard maintained for purposes of section 4106 of H.
15 Con. Res. 71 (115th Congress).

Passed the House of Representatives July 17, 2019.

Attest: CHERYL L. JOHNSON,
Clerk.

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