

105TH CONGRESS  
1ST SESSION

# S. 233

To amend the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JANUARY 29, 1997

Ms. SNOWE introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals, and for other purposes.

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 “Small Business En-  
5       hancement Act of 1997”.

6       **SEC. 2. DEDUCTION FOR HEALTH INSURANCE COSTS OF**  
7       **SELF-EMPLOYED INDIVIDUALS INCREASED.**

8       (a) IN GENERAL.—Section 162(*l*)(1) of the Internal  
9       Revenue Code of 1986 (relating to special rules for health

1 insurance costs of self-employed individuals) is amended  
 2 to read as follows:

3           “(1) ALLOWANCE OF DEDUCTION.—In the case  
 4 of an individual who is an employee within the  
 5 meaning of section 401(c)(1), there shall be allowed  
 6 as a deduction under this section an amount equal  
 7 to the amount paid during the taxable year for in-  
 8 surance which constitutes medical care for the tax-  
 9 payer, the taxpayer’s spouse, and dependents.”.

10       (c) EFFECTIVE DATE.—The amendment made by  
 11 this section applies to taxable years beginning after De-  
 12 cember 31, 1996.

13 **SEC. 3. ASSISTANT UNITED STATES TRADE REPRESENTA-**  
 14 **TIVE FOR SMALL BUSINESS.**

15       The United States Trade Representative shall estab-  
 16 lish a new position of Assistant United States Trade Rep-  
 17 resentative for Small Business to promote exports by small  
 18 businesses and to remove foreign impediments to the suc-  
 19 cess of such undertakings.

20 **SEC. 4. CONGRESSIONAL BUDGET OFFICE COST ANALYSIS.**

21       (a) CBO ANALYSIS.—Title IV of the Congressional  
 22 Budget Act of 1974 (2 U.S.C. 651 et seq.) is amended  
 23 by inserting after section 403 the following new section:

1 “SMALL BUSINESS COST ANALYSIS BY CONGRESSIONAL  
2 BUDGET OFFICE

3 “SEC. 404. (a) The Director of the Congressional  
4 Budget Office shall, to the extent practicable, prepare for  
5 each bill or resolution of a public character reported by  
6 any committee of the House of Representatives or the Sen-  
7 ate (except the Committee on Appropriations of each  
8 House), and submit to such committee—

9 “(1) an estimate of the costs which would be in-  
10 curred in carrying out such bill or resolution in the  
11 fiscal year in which it is to become effective and in  
12 each of the 4 fiscal years following such fiscal year,  
13 together with the basis for each such estimate;

14 “(2) an estimate of the cost which would be in-  
15 curred by small businesses in carrying out or com-  
16 plying with any significant bill or resolution in the  
17 fiscal year in which it is to become effective and in  
18 each of the 4 fiscal years following such fiscal year,  
19 together with the basis for each such estimate; and

20 “(3) a comparison of the estimates of costs de-  
21 scribed in paragraphs (1) and (2) with any available  
22 estimates of costs made by such committee or by a  
23 Federal agency.

24 The estimates, comparison, and description so submitted  
25 shall be included in the report accompanying such bill or

1 resolution if timely submitted to such committee before  
2 such report is filed.

3 “(b) For purposes of this section—

4 “(1) the term ‘small business’ has the same  
5 meaning as the term ‘small-business concern’ in sec-  
6 tion 3(a) of the Small Business Act (15 U.S.C.  
7 632(a)); and

8 “(2) the term ‘significant bill or resolution’ is  
9 defined as any bill or resolution which in the judg-  
10 ment of the Director of the Congressional Budget  
11 Office is likely to result in an average annual cost  
12 to a small business of \$1,000 or more, or is likely  
13 to have exceptional fiscal consequences for a geo-  
14 graphic region or a particular industry segment.”.

15 (b) CONFORMING AMENDMENT.—The table of con-  
16 tents set forth in section 2(b) of the Congressional Budget  
17 and Impoundment Control Act of 1974 is amended by in-  
18 serting after the item relating to section 403 the following:

“Sec. 404. Small business cost analysis by Congressional Budget Office.”.

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