

106TH CONGRESS
1ST SESSION

H. R. 121

To amend the Internal Revenue Code of 1986 to allow a refundable credit to military retirees for premiums paid for coverage under Medicare part B.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1999

Mrs. EMERSON (for herself, Mr. MCHUGH, Mr. BLUNT, and Mr. HUTCHINSON) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to allow a refundable credit to military retirees for premiums paid for coverage under Medicare part B.

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 “Military Retiree Health
5 Care Relief Act”.

1 **SEC. 2. PREMIUMS PAID BY MILITARY RETIREES FOR MEDI-**
 2 **CARE PART B.**

3 (a) IN GENERAL.—Subpart C of part IV of sub-
 4 chapter A of chapter 1 of the Internal Revenue Code of
 5 1986 (relating to refundable credits) is amended by redes-
 6 ignating section 35 as section 36 and by inserting after
 7 section 34 the following new section:

8 **“SEC. 35. PREMIUMS PAID BY MILITARY RETIREES FOR**
 9 **MEDICARE PART B.**

10 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-
 11 gible individual, there shall be allowed as a credit against
 12 the tax imposed by this chapter for the taxable year an
 13 amount equal to the aggregate premiums paid under sec-
 14 tion 1840 of the Social Security Act by the taxpayer dur-
 15 ing the taxable year for enrollment of the eligible individ-
 16 ual under part B of title XVIII of such Act.

17 “(b) ELIGIBLE INDIVIDUAL.—For purposes of sub-
 18 section (a), the term ‘eligible individual’ means—

19 “(1) an individual who is entitled to retired or
 20 retainer pay based upon service in the uniformed
 21 services (as defined in section 101 of title 10, United
 22 States Code),

23 “(2) the spouse (as determined under section
 24 7703) of an individual described in paragraph (1),
 25 and

1 “(3) the widow or widower, as the case may be,
2 of an individual described in paragraph (1).”.

3 (b) TECHNICAL AMENDMENTS.—

4 (1) Paragraph (2) of section 1324(b) of title
5 31, United States Code, is amended by inserting “or
6 from section 35 of such Code” before the period at
7 the end.

8 (2) The table of sections for subpart C of part
9 IV of subchapter A of chapter 1 of such Code is
10 amended by striking the last item and inserting the
11 following new items:

“Sec. 35. Premiums paid by military retirees for medicare part
B.

“Sec. 36. Overpayments of tax.”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to expenses incurred after Decem-
14 ber 31, 1998.

15 **SEC. 3. ELIMINATION OF MEDICARE PART B PREMIUM PEN-**
16 **ALTY.**

17 (a) IN GENERAL.—Section 1839(b) of the Social Se-
18 curity Act (42 U.S.C. 1395r(b)) is amended by adding at
19 the end the following: “Any increase in an individual’s
20 monthly premium under the first sentence of this sub-
21 section shall not be applicable with respect to an eligible
22 individual (or dependent of such an individual), as defined
23 in section 25B(b) of the Internal Revenue Code of 1986.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall apply to premiums for months begin-
3 ning after the date of the enactment of this Act.

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