

106TH CONGRESS
1ST SESSION

H. R. 145

To amend the Internal Revenue Code of 1986 to allow individuals a deduction for amounts paid for insurance for medical care.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1999

Mr. GREEN of Texas introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow individuals a deduction for amounts paid for insurance for medical care.

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. DEDUCTION FOR AMOUNTS PAID FOR INSUR-**
4 **ANCE FOR MEDICAL CARE.**

5 (a) IN GENERAL.—Part VII of subchapter B of chap-
6 ter 1 of the Internal Revenue Code of 1986 (relating to
7 additional itemized deductions for individuals) is amended
8 by redesignating section 222 as section 223 and by insert-
9 ing after section 221 the following new section:

1 **“SEC. 222. INSURANCE FOR MEDICAL CARE.**

2 “(a) DEDUCTION ALLOWED.—

3 “(1) IN GENERAL.—In the case of an individ-
 4 ual, there shall be allowed as a deduction for any
 5 taxable year an amount equal to the applicable per-
 6 centage of the amount paid during the taxable year
 7 for insurance covering medical care or for any quali-
 8 fied long-term care insurance contract for the tax-
 9 payer, and his spouse and dependents.

10 “(2) APPLICABLE PERCENTAGE.—For purposes
 11 of paragraph (1), the applicable percentage shall be
 12 determined under the following table:

“For taxable years beginning in calendar year—	The applicable percentage is—
1999	45
2000 and 2001	50
2002	60
2003 through 2005	80
2006	90
2007 and thereafter	100.

13 “(3) DEFINITIONS.—For purposes of paragraph
 14 (1)—

15 “(A) INSURANCE.—The term ‘insurance’
 16 includes amounts paid as premiums under part
 17 B of title XVIII of the Social Security Act (re-
 18 lating to supplementary medical insurance for
 19 the aged).

20 “(B) MEDICAL CARE.—The term ‘medical
 21 care’ has the meaning given to such term by
 22 section 213(d)(1).

1 “(C) QUALIFIED LONG-TERM CARE INSUR-
 2 ANCE CONTRACT.—The term ‘qualified long-
 3 term care insurance contract’ has the meaning
 4 given to such term by section 7702B(b).

5 “(b) COORDINATION OF DEDUCTION.—No amount
 6 taken into account under subsection (a) shall be taken into
 7 account in computing the amount allowable to the tax-
 8 payer as a deduction under section 162(l) or 213(a).

9 “(c) COORDINATION WITH EXCLUSION.—No amount
 10 excluded from income under section 125 shall be taken
 11 into account under subsection (a).”.

12 (b) DEDUCTION ALLOWED IF INDIVIDUAL DOES NOT
 13 ITEMIZE.—Subsection (a) of section 62 of such Code (re-
 14 lating to general rule for adjusted gross income defined)
 15 is amended by inserting after paragraph (17) the following
 16 new paragraph:

17 “(18) INSURANCE FOR MEDICAL CARE.—The
 18 deduction allowed by section 222.”.

19 (c) CLERICAL AMENDMENT.—The table of sections
 20 for part VII of subchapter B of chapter 1 of such Code
 21 is amended by striking the item relating to section 222
 22 and inserting the following new items:

 “Sec. 222. Insurance for medical care.
 “Sec. 223. Cross reference.”.

1 (d) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall apply to taxable years beginning after
3 December 31, 1998.

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