

106TH CONGRESS
1ST SESSION

S. 343

To amend the Internal Revenue Code of 1986 to allow a deduction for 100 percent of the health insurance costs of self-employed individuals.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 3, 1999

Mr. BOND (for himself, Mr. BURNS, Ms. SNOWE, Mr. ENZI, Mr. COVERDELL, Mr. HAGEL, Mr. KYL, Mr. CRAIG, Mr. INHOFE, Mr. HELMS, Ms. COLLINS, Mr. SPECTER, Mr. JEFFORDS, Mr. ROBERTS, and Mr. HUTCHINSON) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow a deduction for 100 percent of the health insurance costs of self-employed individuals.

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 “Self-Employed Health
5 Insurance Fairness Act of 1999”.

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

3 (a) IN GENERAL.—Section 162(l)(1) of the Internal
 4 Revenue Code of 1986 (relating to special rules for health
 5 insurance costs of self-employed individuals) is amended
 6 to read as follows:

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

14 (b) CLARIFICATION OF LIMITATIONS ON OTHER COV-
 15 ERAGE.—The first sentence of section 162(l)(2)(B) of the
 16 Internal Revenue Code of 1986 is amended to read as fol-
 17 lows: “Paragraph (1) shall not apply to any taxpayer for
 18 any calendar month for which the taxpayer participates
 19 in any subsidized health plan maintained by any employer
 20 (other than an employer described in section 401(c)(4))
 21 of the taxpayer or the spouse of the taxpayer.”

22 (c) EFFECTIVE DATE.—The amendments made by
 23 this section shall apply to taxable years beginning after
 24 December 31, 1998.

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