

109TH CONGRESS
1ST SESSION

H. R. 1634

To amend the Internal Revenue Code of 1986 to expand workplace health incentives by equalizing the tax consequences of employee athletic facility use.

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2005

Mr. WAMP (for himself, Mr. UDALL of Colorado, Mr. BOEHLERT, Mr. MORAN of Virginia, Mr. MCGOVERN, Mr. FRANK of Massachusetts, Mr. SCHIFF, and Mrs. BONO) 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 expand workplace health incentives by equalizing the tax consequences of employee athletic facility use.

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 “Workforce Health Im-
5 provement Program Act of 2005”.

1 **SEC. 2. EMPLOYER-PROVIDED OFF-PREMISES HEALTH**
2 **CLUB SERVICES.**

3 (a) TREATMENT AS FRINGE BENEFIT.—Subpara-
4 graph (A) of section 132(j)(4) of the Internal Revenue
5 Code of 1986 (relating to on-premises gyms and other ath-
6 letic facilities) is amended to read as follows:

7 “(A) IN GENERAL.—Gross income shall
8 not include—

9 “(i) the value of any on-premises ath-
10 letic facility provided by an employer to his
11 employees, and

12 “(ii) fees or membership expenses
13 paid by an employer to an athletic or fit-
14 ness facility described in subparagraph (C)
15 on behalf of its employees.”.

16 (b) ATHLETIC FACILITIES DESCRIBED.—Paragraph
17 (4) of section 132(j) of such Code is amended by adding
18 at the end the following new subparagraph:

19 “(C) CERTAIN ATHLETIC OR FITNESS FA-
20 CILITIES DESCRIBED.—For purposes of sub-
21 paragraph (A)(ii), an athletic or fitness facility
22 described in this subparagraph is a facility—

23 “(i) providing instruction in a pro-
24 gram of physical exercise or offering facili-
25 ties for the preservation, maintenance, en-

1 couragement, or development of physical
2 fitness,

3 “(ii) which is not a private club owned
4 and operated by its members,

5 “(iii) which does not offer golf, hunt-
6 ing, sailing, or riding facilities,

7 “(iv) whose health or fitness facility is
8 not incidental to its overall function and
9 purpose, and

10 “(v) which is fully compliant with the
11 State of jurisdiction and Federal anti-dis-
12 crimination laws.”.

13 (c) EMPLOYER DEDUCTION FOR DUES TO CERTAIN
14 ATHLETIC FACILITIES.—

15 (1) IN GENERAL.—Paragraph (3) of section
16 274(a) of such Code (relating to denial of deduction
17 for club dues) is amended by adding at the end the
18 following new sentence: “The preceding sentence
19 shall not apply to fees or dues paid to athletic or fit-
20 ness facilities (within the meaning of section
21 132(j)(4)(C)).”.

22 (2) CONFORMING AMENDMENT.—Section
23 274(e)(4) of such Code is amended by inserting be-
24 fore the period at the end of the last sentence the
25 following: “(other than fees or dues paid to athletic

1 or fitness facilities (within the meaning of section
2 132(j)(4)(C)))”.

3 (d) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

○